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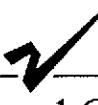
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A Survey of Dispensing Costs of Pharmaceuticals in the Commonwealth of Kentucky

Prepared for the

Kentucky Department for Medicaid Services

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EXHIBITS

Chapter

1

Executive Summary

Introduction

Under contract to the Kentucky Department for Medicaid Services, Myers and Stauffer LC performed a study of the cost of dispensing prescription medications to Medicaid recipients in the Commonwealth of Kentucky. Components of this study include:

- Pharmacy dispensing cost survey
- Prescription charge survey
- Estimated acquisition costs study

This report includes a narrative of the methodologies and findings relevant to the survey of dispensing costs and prescription charges. A separate report issued by Myers and Stauffer LC includes discussion of a study of pharmaceutical acquisition costs.

The dispensing cost study used a proven cost survey instrument similar to that used by Myers and Stauffer in Medicaid pharmacy engagements in 14 other states and consistent with the methodology of our previous Kentucky studies¹. All Kentucky pharmacy providers enrolled in the Medicaid program and dispensing more than 500 Medicaid prescriptions annually were surveyed; 466 filed cost surveys that could be included in this analysis. All dispensing cost surveys were subject to extensive desk review procedures. Seventeen pharmacies were selected for on-site field examinations to validate reported costs.

¹ Previous reports related to Medicaid pharmacy issues by Myers and Stauffer LC that were prepared for the Kentucky Department for Medicaid Services include:

- *A Study of the Cost of Economically and Efficiently Dispensed Prescription Medications*, January 1998
- *A Survey of Costs of Dispensing Prescriptions and Estimated Acquisition Cost in the State of Kentucky*, August 1998
- *A Survey of Dispensing and Acquisition Costs of Pharmaceuticals in the Commonwealth of Kentucky*, August 1999

Summary of Findings

The significant findings of the study are as follows:

- The statewide median cost of dispensing, weighted by Medicaid volume, was \$4.51. This figure of \$4.51 is \$0.04 less than findings from the 1999 study. Although some inflationary pressures have operated on pharmacies in the interim period between surveys, mean pharmacy total prescription volume has also increased from approximately 64,000 prescriptions in the 1999 study to approximately 73,000 prescriptions in this study. This increase in volume and accompanying increases in efficiency have served to offset cost increases due to inflation.
- No association was found between dispensing cost and unit-dose packaging or other measures of long term care dispensing activity; i.e., retail and long term care pharmacies had similar average costs of dispensing.
- There was an association found between dispensing cost and the chain or non-chain affiliation status of the pharmacy. This phenomenon, however, appears to be related to the higher total prescription volume of chain stores and the increased efficiency associated with higher volume.
- No association was found between dispensing cost and the urban or rural location of a pharmacy.
- No systematically higher costs were associated with pharmacies that have a higher percentage of Medicaid prescription volume.

Table 1.1 Dispensing Cost^A for Kentucky Pharmacies

Pharmacies Included in Analysis ^B	453
Unweighted Mean	\$5.29
Weighted Median ^C	\$4.51
25 th Percentile ^C	\$3.82

^A Excluding state prescription tax and inflated to June 30, 2000.

^B Excludes 13 pharmacies that dispensed a significant amount of intravenous prescriptions.

^C Weighted by Medicaid volume.

Conclusions

Based on the survey of pharmacy dispensing costs in the Commonwealth of Kentucky, a review of the academic literature, and the reimbursement rates of other payers, our analysis indicates a pharmacy dispensing fee for all prescriptions set at \$4.51 would reimburse reasonable dispensing costs incurred by pharmacies in the aggregate. Our study of dispensing costs does not support the need for any add-on to the dispensing fee for prescriptions dispensed in unit dose packaging.

Chapter

2

Program Overview

Kentucky Medicaid Pharmacy Program Overview

The Kentucky Medicaid program includes a benefit for prescription drugs. This program allows recipients access to many commonly prescribed drugs through its formulary.

The current dispensing fee reimbursed is \$4.75 (\$5.75 for nursing facility patients) and ingredient reimbursement is AWP minus 10.0% (with limitations). Medicaid reimbursement is based on the lower of the following prescription charge formulas:

- Average Wholesale Price minus 10.0% plus a dispensing fee for single source products and multiple source products with no Federal Upper Limit (FUL). A physician may override the FUL limits by indicating "brand medically necessary" on a prescription for multi-source drugs with FUL limits.
- Federal Upper Limit (FUL), when applicable for multi-source products, plus a dispensing fee.
- Provider's usual and customary charge to other payers.

Approximately 1,200 pharmacy providers participate in the Kentucky Medicaid drug program. Approximately 41% of the stores are chain-affiliated, and 59% are independently-owned stores. Independent providers are responsible for 72% of the Medicaid volume. Among Kentucky Medicaid providers, the average annual Medicaid volume is approximately 9,400 prescriptions. This average is impacted by a small number of pharmacies filling over 100,000 prescriptions per year. The median annual Medicaid volume is much less, roughly 3,600 prescriptions.

Drug Utilization Profile

Myers and Stauffer obtained a claims summary file from the Department for Medicaid Services. This file summarized pharmacy claims processed for calendar

year 1999. Information from this file indicates that the Kentucky Medicaid program reimbursed²:

- Approximately 21,000 drug products.
- 10.5 million prescriptions.
- \$360 million for prescription drug products.

Although approximately 86% of the 21,000 drug products and 64% of the 10.5 million prescriptions were multi-source drug products, these products account for only 30% (\$109.7 million) of the expenditures. The majority of the program's expenditures, \$250.3 million, were for brand-name drug products. The proportion of drug expenditures that is for brand name drugs has increased in recent years as new and more expensive pharmaceutical products continue to become available.

Reimbursement for most multi-source drug products is limited by FUL prices. For drugs on the FUL list, HCFA semiannually reviews and updates the FUL drug list. Each FUL equates to 150% of the lowest wholesale price listed in any of the various published compendia of cost information of drugs. The following table summarizes the makeup of the program's expenditures by brand name and multi-source categories. The table also subdivides drug products based on whether the product has a Federal Upper Limit.

Table 2.1 Summary of Drug Program Utilization

	Product Type	Number of Drug Products	Number of Prescriptions	Amount Reimbursed	Percent of Program Expenditures
	Brand Name Products	3,009	3,822,493	\$250,160,081	70%
Multi-Source Products	Products with an FUL Price	7,780	2,910,496	\$33,088,089	9%
	Products without an FUL Price	10,364	3,790,169	\$76,579,081	21%
	Subtotal: Multi-Source Products	18,144	6,700,665	\$109,667,170	30%
	Total: All Products	21,153	10,523,158	\$359,827,251	100%

Note: Existence of FUL prices is based upon November 1999 prices. Utilization figures were obtained from the Department for Medicaid Services and are for Calendar Year 1999.

² Medicaid recipients in some regions of Kentucky were integrated into managed care programs. Accordingly, these recipients receive pharmaceutical benefits outside of the traditional fee-for-service program.

Chapter

3

Dispensing Cost Survey

The two primary components for reimbursement of pharmaceuticals are drug ingredient cost and the dispensing fee. The dispensing, or professional, fee is paid to pharmacies to cover their overhead and labor costs. Federal regulations at 42 CFR 447.331-333 require states to establish a reasonable dispensing fee and to document their pharmacy reimbursement methodology in their state plan. The Kentucky Department for Medicaid Services is required by K.R.S. 205.561 to produce an annual report with estimates of the costs of dispensing prescription medication to Medicaid eligible recipients. Dispensing fees for Medicaid programs have typically been based on an analysis of costs incurred by pharmacies within the state and tend to vary somewhat from state to state. In order to determine costs incurred to dispense pharmaceuticals to Medicaid recipients in the Commonwealth of Kentucky, Myers and Stauffer utilized a survey method consistent with the methodology of the previous surveys conducted by Myers and Stauffer for the Department. The methodology and results of those surveys were reported to the Department in August 1998, and August 1999. This method is also similar to the approach which Myers and Stauffer has used as the basis for analysis of dispensing costs in seventeen states.

Methodology of the Survey

Development of Methodology

Survey methodologies used by the firm have been developed and refined since our first dispensing cost study engagements in the 1970's. The cost accounting principles used in the study are, however, standard to the health care industry and are similar to methods other experts have used to study pharmacy dispensing cost. Please refer to Appendix A for references to other pharmacy studies and the accounting principles which provide background to the methodologies used in this study.

Survey Population

The Kentucky Department for Medicaid Services provided Myers and Stauffer with a list of pharmacy providers currently enrolled in the Medicaid program. Cost surveys were sent to all pharmacies with an annual Medicaid volume in excess of 500 prescriptions. Of the 1,033 pharmacies receiving cost surveys, 599 were independent pharmacies and 434 were chain pharmacies.

Mailing Procedures

Survey forms were mailed on September 12, 2000, to pharmacy providers currently enrolled in the Medicaid program. Each pharmacy received a copy of the cost survey (Exhibit 1), a list of instructions (Exhibit 2), a letter of introduction from the Commonwealth of Kentucky (Exhibit 3), a letter of explanation from Myers and Stauffer (Exhibits 4 and 5), and a business reply envelope.

Survey Participation

Of the 1,033 surveyed pharmacies, 25 pharmacies were determined to be ineligible to participate. Providers were deemed ineligible if they had closed their pharmacy, had a change of ownership, or had less than six months of cost data available.

Concerted efforts to encourage maximum participation were made by various parties concerned with the success of the survey. Official letters (Exhibits 3 and 7) explaining the purpose of the study was sent to the sampled pharmacy providers by the Kentucky Department for Medicaid Services. The cost survey forms and instructions and a letter of explanation from Myers and Stauffer (Exhibits 4, 5, and 9) offered pharmacy owners the option of having Myers and Stauffer complete certain sections of the survey form if copies of financial statements and/or tax returns were supplied. A toll-free telephone number was listed on the survey form, and pharmacists were urged to call to resolve any questions they had concerning completion of the survey form. Two letters from the Kentucky Pharmacists Association (Exhibits 6 and 8) were also sent to the surveyed pharmacies.

By the original filing deadline of October 2, 2000, 257 cost surveys had been received. In an effort to increase the response rate, staff from the Department for Medicaid Services made phone calls to non-responding pharmacies beginning during the week of October 2. Additionally, the Cabinet for Health Services, Office of General Counsel, sent a letter to non-responding pharmacies encouraging them to participate in the survey (Exhibit 10).

As is typical with these projects, many of the submitted cost surveys contained errors or were incomplete. For cost surveys with such errors or omissions, the pharmacy was contacted for clarification. There were some cases in which issues

on the cost survey were not resolved in time for inclusion in the final analysis. Ultimately, 466 surveys were entered into a database and used in our analysis of dispensing costs.

The following table, 3.1, summarizes the cost survey response rate.

Table 3.1 Pharmacies Responding to Cost Survey

Type of Pharmacy	Total Medicaid Participating Pharmacies	Pharmacies Receiving Cost Surveys	Pharmacies Exempt from Filing	Eligible Pharmacies	Usable Cost Surveys Received	Response Rate
Chain	501	434	0	434	183	42%
Independent	732	599	25	574	283	49%
TOTAL	1,233	1,033	25	1,008	466	46%

Reporting Bias

Since the response rate of the sample pharmacies was less than 100 percent, the possibility of bias in the responding sample should be considered. To measure the likelihood of this possible bias, chi square (χ^2) tests were performed. This test was used to determine whether the final sample was independent of bias with respect to chains versus independents and other traits.

The results of the χ^2 tests indicate that the final sample of 466 cost surveys was not biased with regards to the chain versus independent affiliation status or the urban versus rural location of the submitting pharmacies.

Receipt and Review Procedures

For confidentiality purposes, each pharmacy was randomly assigned a four-digit identification number and each cost survey was carefully examined. This review identified cost surveys considered incomplete, and pharmacies submitting these cost surveys were sent a "Request for Additional Information" letter specifying the information necessary for completion (Exhibit 11). Those pharmacies not responding to the request for additional information were sent a second request for additional information. Pharmacies not responding to this second request for additional information were contacted by telephone.

Field Examination Procedures

A total of 17 pharmacies were selected for a field examination. The selection was primarily random, but geographic location was taken into consideration. A letter was sent to each selected pharmacy explaining the selection process, the time period during which the field examination would take place, and the necessary data to have available. Each pharmacy was then contacted by telephone for

further explanation of the field examination and confirmation of the time and date. An examination file was prepared for each of the pharmacies containing a uniform field examination program, a copy of the completed reviewed cost survey, and other necessary work papers.

Following the actual visit to the pharmacy, work papers were completed by making a second examination of each file to ensure that all necessary information had been obtained. A follow-up letter was sent to each pharmacy visited, expressing appreciation for the time and cooperation of pharmacy personnel. Each work paper file was reviewed for quality assurance. Results of the field examinations showed no significant bias in overstating or understating costs reported on the cost survey (Exhibit 12).

Cost Finding Procedures

Cost finding is the process of recasting cost data using rules or formulas in order to accomplish an objective. In this study, the objective is to estimate the cost of dispensing prescriptions to Medicaid recipients. To accomplish this objective, some pharmacy costs must be allocated between the prescription dispensing function and other business activities. This process identified the reasonable and allowable costs necessary for prescription dispensing to Medicaid recipients.

Most pharmacies are also engaged in lines of business other than the dispensing of prescription drugs. For example, many pharmacies have a retail business with sales of over-the-counter (OTC) drugs and other non-medical items. Some pharmacies are involved in the sale of durable medical equipment. The existence of these other lines of business necessitate that procedures be taken to isolate the costs involved in the prescription dispensing function of the pharmacy.

Dispensing cost consists of two components: overhead and labor. The cost finding rules employed to determine each of these components are described in the following sections.

Overhead Costs

Overhead cost per prescription was calculated by summing the allocated overhead of each pharmacy and dividing this sum by the number of prescriptions dispensed. Overhead expenses originally reported for the entire pharmacy were allocated to the prescription department based on either:

- Sales ratio (prescription sales divided by total sales)
- Area ratio (prescription department floor space (in square feet) divided by total floor space)
- All (100%)
- None

Overhead costs that were considered *entirely prescription-related* include:

- Prescription department fees
- Prescription delivery expense
- Prescription computer expense
- Prescription containers and labels (For many pharmacies the costs associated with prescription containers is captured in their cost of goods. Subsequently, it was often the case that a pharmacy was unable to report expenses for prescription containers. In order to maintain consistency, a standardized allowance for prescription containers was determined in conjunction with a consultant pharmacist. See Exhibit 13.)
- Certain other expenses that were separately identified on lines 27-29³ (see the cost survey in Exhibit 1)

Overhead costs that were *not allocated as a prescription expense* include:

- Income taxes⁴
- Bad debts⁵
- Advertising
- Contributions⁶

Certain costs reported on Lines 27, 28, and 29 were occasionally excluded. An example is freight expense, which usually relates only to nonprescription purchases or cost of goods sold.

The remainder of the costs was assumed to be related to *both prescription and nonprescription sales*. Joint cost allocation is necessary to avoid understating or overstating the cost of filling a prescription.

³ Expenses that were considered entirely prescription-related were transferred to Line 28. One example is continuing professional education for a pharmacist.

⁴ Income taxes are not considered an operational cost because they are based upon the profit of the pharmacy operation. Although a separate line was provided for the state income taxes of corporate filers, it was not allowed as a prescription cost in order to afford equal treatment to each pharmacy, regardless of the type of ownership.

⁵ Bad debts were not considered a prescription-related expense since they are revenue offsets arising through an accrual recognition of revenues which are later found to be not collectible. Disallowing this expense also afforded equal treatment to providers, irrespective of their method of accounting.

⁶ Individual proprietors and partners are not allowed to deduct contributions as a business expense for federal income tax purposes. Any contributions made by their business are deducted along with personal contributions as itemized deductions. However, corporations are allowed to deduct contributions as a business expense for federal income tax purposes. Thus, while Line 19 on the cost report recorded the business contributions of a corporation, none of these costs were allocated as a prescription expense. This, again, afforded equal treatment for each type of ownership.

Those overhead costs allocated on the ratio of the *floor space* (as previously defined) include:

- Depreciation
- Real estate taxes
- Rent
- Repairs
- Utilities

The costs in these categories were considered a function of floor space. For example, the larger the facility, the higher the rent, if other factors are considered equal. The floor space ratio was increased by 50 percent from that reported on the original cost survey to allow for waiting area for patients and prescription department office area. The resulting ratio was adjusted downward, when necessary, not to exceed the sales ratio (in order to avoid allocating 100% of these costs in the rare instance where the prescription department occupies the majority of the area of the store).

Overhead costs allocated using the *sales ratio* include:

- Personal property taxes
- Other taxes
- Insurance
- Interest
- Accounting and legal fees
- Telephone and supplies
- Dues and publications

Labor Costs

Labor costs are calculated by allocating total salaries, payroll taxes, and benefits based on the percent of time spent in the prescription department. The allocations for each labor category were summed and then divided by the number of prescriptions dispensed to calculate labor cost per prescription. There are various classifications of salaries and wages requested on the cost survey (Lines 31-44) due to the different cost treatment given to each labor classification.

The total salaries, payroll taxes, and benefits of employee pharmacists (Lines 34-38) were multiplied by a factor based upon the percent of prescription time. Although some employee pharmacists spent a portion of their time performing nonprescription duties, it was assumed that their economic productivity when performing nonprescription functions was less than their productivity when

performing prescription duties. Therefore, a higher percentage of salaries, payroll taxes, and benefits was allocated to prescription labor costs than would have been allocated if a simple percent of time allocation was utilized. Specifically, the percent of prescription time indicated was multiplied by two and divided by the percent of prescription time plus one.

An Example:

An employee pharmacist spends 90 percent of their time in the prescription department. The 90 percent factor would be modified to 95 percent:

$$\frac{(2)(.9)}{(1 + .9)}$$

Thus, 95 percent of the reported salaries, payroll taxes, and benefits would be allocated to the prescription department. It should be noted that most employee pharmacists spent 100 percent of their time in the prescription department.

The allocation of salaries, payroll taxes, and benefits for all other prescription employees (Lines 39-43) was based directly upon the percentage of time spent in the prescription department as indicated on the individual cost survey. For example, if the reported percentage of prescription time was 75 percent and total salaries were \$10,000, then the allocated prescription cost would be \$7,500.

Owner Compensation Issues

The allocation of salaries, payroll taxes, and benefits of the owner pharmacists (Lines 31-33) was based upon the same modified percentage as that used for employee pharmacists. However, limitations were placed upon the allocated salaries, payroll taxes, and benefits of owner pharmacists. Since amounts shown for owner pharmacists are not historical costs that have arisen from arm's length negotiations, they are not similar to other costs. A pharmacy owner has a different attitude toward other expenses than toward his/her own salary. In fact, owners often pay themselves above the market costs of securing the services of an employee pharmacist. This excess effectively represents a withdrawal of business profits, not a cost of dispensing. Some owners may underpay themselves for business reasons, which would also misrepresent the true dispensing cost.

A factor considered in determining the allocation of owner's salaries was the variability in productivity. For example, one owner pharmacist may dispense 30,000 prescriptions per year while another may dispense 5,000. Those owner pharmacists who dispensed a greater number of prescriptions were allowed a higher salary than were owner pharmacists who dispensed a smaller number of prescriptions. Since variance is not nearly as great with respect to employee pharmacists, the owner pharmacist's salary was subjected to limits based upon employee pharmacists' salaries per prescription.

Determining Owner Compensation Allowances

To estimate the cost that would have been incurred had an employee been hired to perform the prescription-related functions actually performed by the owner, a statistical regression technique was used. A bivariate plot shows the correlation between an independent (predictor) variable and a dependent (predicted) variable. The upper and lower limits on owner pharmacist salary were determined from a bivariate regression (Chart 3.1)⁷. In order to accurately reflect the trend of decreasing marginal costs with increasing volume, a regression technique that fit the bivariate data to a logarithmic curve was used. The resulting regression equation to predict pharmacist labor cost at varying amounts of work performed is:

$$\text{Labor cost} = 27,280 \times \ln(\text{number of prescriptions dispensed})^8 - 218,585$$

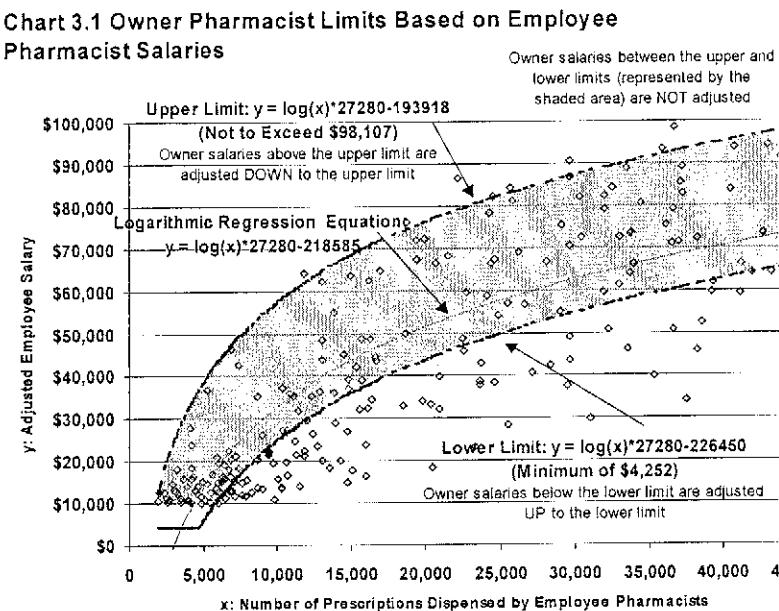
(where \ln represents the natural logarithm function)

This equation was used to establish limits for allocating owner pharmacist costs. There was variation in actual employee salaries both above and below this regression line. This variation is measured by the equation's *standard error of the estimate*, \$14,997. The standard error of the estimate was used to construct upper and lower limits of owner pharmacist labor cost:

$$\text{Upper Limit} = 27,280 \times \ln(\text{number of prescriptions dispensed}) - 193,918$$

$$\text{Lower Limit} = 27,280 \times \ln(\text{number of prescriptions dispensed}) - 226,450$$

These two constraints effectively set upper and lower thresholds at approximately the 30th and 95th percentiles of volume adjusted employee salaries. An additional



⁷ Employee pharmacist salary per prescription was used to set limitations on owner pharmacist salary estimates due to the "arm's length" nature and lack of variance in employee productivity compared with owner productivity.

⁸ The number of prescriptions filled by the owner pharmacist was determined by multiplying the percent of owner-filled prescriptions (Lines 31-33 of the cost report) by the total number of prescriptions dispensed (Line k).

constraint is a \$98,107 maximum annual salary and a \$4,252 minimum salary. These amounts are set at the 30th and 95th percentile of volume adjusted employee salaries.

There is no reason to believe that managerial or clerical duties performed by the nonpharmacist owners were more valuable to the prescription dispensing function than for other functions. As with other owners, the amount shown for salaries, payroll taxes, and benefits was not a result of arm's length negotiations. Therefore, an upper limit of \$25,000 and a lower limit of \$15,000 were placed upon these prescription costs. These limits were chosen based on experience in prior surveys. No adjustment was made to the percentage of prescription time factor for owner nonpharmacists (Lines 31-33).

Overall Labor Cost Constraints

An overall constraint was placed on the proportion of total reported labor that could be allocated as prescription labor. The constraint assumes that a functional relationship exists between the proportion of allocated prescription labor to total labor **and** the proportion of prescription sales to total sales. It is also assumed that a higher input of labor costs is necessary to generate prescription sales than nonprescription sales, within limits.

The parameters of the applied labor constraint are based upon an examination of data submitted by all pharmacies. These parameters are set in such a way that any resulting adjustment affects only those pharmacies with a percentage of prescription labor deemed unreasonable. For instance, the constraint would come into play for an operation that reported 75 percent pharmacy sales and 100 percent pharmacy labor (obviously, some labor must be devoted to generating the 25 percent nonprescription sales).

To determine the maximum percentage of total labor allowed, the following calculation was made:

$$\frac{0.3(\text{Sales Ratio})}{0.1 + (0.2)(\text{Sales Ratio})}$$

Inflation Factors

All allocated costs for overhead and labor were totaled and multiplied by an inflation factor. Inflation factors are intended to reflect cost changes from the middle of the reporting period of a particular pharmacy to a common fiscal period ending December 31, 2000 (specifically from the *midpoint* of the pharmacy's fiscal year to the *midpoint* of the common fiscal period, June 30, 2000). The

midpoint and terminal month indices used were taken from the U. S. Government Consumer Price Index (CPI), Urban Consumer (see Exhibit 14).⁹

The use of inflation factors is necessary in order for pharmacy cost data from various fiscal years to be compared uniformly. Recent experience with pharmacy cost studies has indicated that the CPI may tend to overstate increases in dispensing cost over an extended time. This appears to be the result of increased cost containment pressures exerted on retail pharmacies by reduced reimbursement from managed care entities.

⁹ The Bureau of Labor Statistics (BLS) calculates and publishes the CPI indices on a monthly basis. On September 28, 2000, BLS issued revised indices for the time period of January 2000 to August 2000. These minor revisions were a result of the discovery of an error in the software used to calculate one component of the CPI (All Urban). Further details regarding this revision to the CPI can be obtained from the BLS Internet web site: <http://stats.bls.gov>.

Analysis and Findings

The dispensing costs for all pharmacies in the sample are summarized in the tables and paragraphs following. Findings for all pharmacies in the sample are presented collectively, and additionally are presented for subsets of the sample based on pharmacy characteristics. There are several statistical measurements that may be used to express the central tendency of a distribution, the most common of which are the average, or mean, and the median (see sidebar). Findings are presented in the forms of means and medians, both raw and weighted.

In many real world settings such as this dispensing cost survey, statistical "outliers" are a common occurrence. These outlier pharmacies have dispensing costs that are not typical of the majority of pharmacies.

Medians are often preferred to averages (i.e. the arithmetic mean) in situations where the magnitude of outlier values results in an average that does not represent what is thought of as "average" or normal in the common sense. The measurement that is the most ideally suited for determining the typical cost of dispensing prescriptions to Medicaid recipients is the **median weighted by Medicaid volume**.

For all pharmacies in the sample, findings are presented in Table 3.2.

Different Measures of Central Tendency:

Unweighted mean: simply the average cost for each pharmacy.

Weighted mean: the average cost of all prescriptions dispensed by pharmacies included in the sample, weighted by prescription volume. The resulting number is the average cost for all prescriptions, rather than the average for all pharmacies as in the unweighted mean. This implies that low volume pharmacies have a smaller impact on the weighted average than high volume pharmacies. This approach, in effect, sums all costs in the sample and divides that sum by the total of all prescriptions in the sample. The weighting factor can be either total prescription volume or Medicaid prescription volume.

Median: the value that divides a set of observations (such as dispensing cost) in half. In the case of this survey, the median is the dispensing cost such that the cost of one half of the pharmacies in the set are less than or equal to the median and the dispensing costs of the other half are greater than or equal to the median.

Weighted Median: This is determined by finding the pharmacy observation that encompasses the middle value prescription. The implication is that one half of the prescriptions were dispensed at a cost of the weighted median or less, and one half were dispensed at the cost of the weighted median or more.

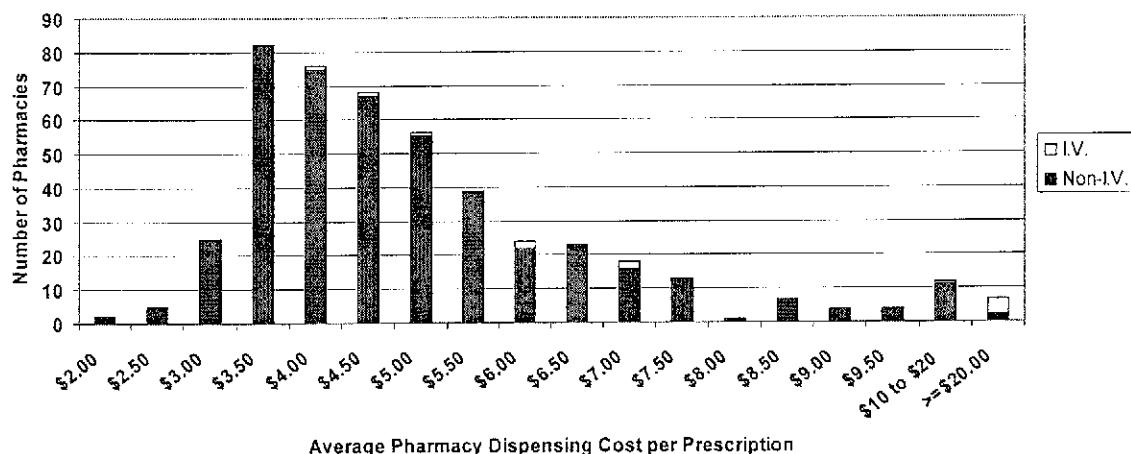
Suppose, for example, that there were 1,000,000 Medicaid prescriptions dispensed by the pharmacies in the sample. If the pharmacies were arrayed in order of dispensing cost, the median weighted by Medicaid volume, is the dispensing cost of the pharmacy that dispensed the middle, or 500,000th prescription.

Table 3.2 Cost Per Prescription – All Pharmacies

	Dispensing Cost
Median Weighted by Medicaid Volume	\$4.61
Median Weighted by Total Volume	\$4.58
Unweighted Median	\$4.76
Mean Weighted by Medicaid Volume	\$5.14
Mean Weighted by Total Volume	\$4.93
Unweighted Mean	\$5.80

(Dispensing Costs have been inflated to the common point of June 30, 2000)

Chart 3.2 is a histogram of the dispensing cost for all pharmacies in the sample. There was a large range between the highest, \$90.01, and lowest, \$2.39, dispensing cost observed for pharmacies in the sample. The majority of pharmacies (321), however, had dispensing costs between \$3.50 and \$6.00.

Chart 3.2 Dispensing Cost by Pharmacy

The most significant characteristic which affected pharmacy dispensing cost was the provision of intravenous (I.V.) solutions. Our analysis revealed significantly higher costs of dispensing is associated with the 13 pharmacies in the sample that provided significant levels of this service.

In every pharmacy dispensing study where information on I.V. solution dispensing activity has been collected by Myers and Stauffer, such activity has been found to be associated with higher dispensing costs. Discussions with pharmacists providing I.V. solutions indicate that the activities and costs involved in filling I.V. prescriptions are significantly different from the costs incurred by the typical retail (or long term care) pharmacy. The reasons for this difference include:

- Costs of special equipment for mixing and storage of I.V. solutions.

- Higher direct labor costs because most I.V. prescriptions must be mixed in the pharmacy, whereas the manual activities to fill a non-I.V. prescription are mainly limited to counting pills (or vials, etc.) and printing and affixing the label.
- A pharmacy may mix and deliver many “dispensings” of a daily I.V. solution from a single prescription, thus incurring additional costs spread over a smaller number of prescriptions.

This latter factor, in particular, can have a dramatic impact on increasing a pharmacy's apparent cost per prescription.

The differences in dispensing costs which were observed for providers of I.V. services compared to those pharmacies which did not offer I.V. services are summarized in Table 3.3.

Table 3.3 Cost Per Prescription - I.V. Versus non I.V. Pharmacies

Type of Pharmacy	Number of Pharmacies	Unweighted Mean Cost	Standard Deviation	Median Cost Weighted by Medicaid Volume
Pharmacies Dispensing I.V. Prescriptions (>5% of Rx Sales)	13	\$23.71	\$26.79	\$5.49
Pharmacies Not Dispensing Significant I.V. Prescriptions	453	\$5.29	\$2.14	\$4.51

(Dispensing Costs have been inflated to the common point of June 30, 2000)

The average percentage of I.V. prescription sales for these 13 pharmacies was 49%. Based on analyses performed in other studies, pharmacies that dispense I.V. prescriptions as a majority of their business can have dispensing costs far in excess of those found in a traditional pharmacy. Based on our cost findings, it must be concluded that the costs incurred to dispense I.V. prescriptions are not representative of the costs incurred by a general pharmacy. If the costs of I.V. services were to be included in the computation of an average or median dispensing cost that was then used to establish a reimbursement rate, the effect would be to pay approximately 95% of pharmacies an additional allowance for a service they never provided. And, for those pharmacies providing I.V. services, the marginal increase in the fee would be immaterial in relation to the cost of actually dispensing an I.V. prescription.¹⁰

Consequently, many of the analyses which follow, exclude providers which had dispensed a significant volume of I.V. prescriptions. Table 3.4 restates the

¹⁰ Although typical dispensing fees reimburse less than the dispensing costs of I.V. pharmacies, they are generally able to break even based on the margin allowed on ingredient cost reimbursement.

measurements noted in Table 3.2 excluding pharmacies that dispensed significant volumes of I.V. prescriptions.

Table 3.4 Cost Per Prescription – Excluding I.V. Pharmacies

Dispensing Cost	
Median Weighted by Medicaid Volume	\$4.51
25 th Percentile (Weighted by Medicaid Volume)	\$3.82
Median Weighted by Total Volume	\$4.45
Unweighted Median	\$4.74
Mean Weighted by Medicaid Volume	\$4.89
Mean Weighted by Total Volume	\$4.71
Unweighted Mean	\$5.29

(Dispensing Costs have been inflated to the common point of June 30, 2000)

Analysis of Pharmacy Characteristics

Responding pharmacies were categorized into various groups of interest and their dispensing costs analyzed to determine statistical significance. These characteristics include:

- Total prescription volume
- Chain versus independent pharmacy affiliation
- Urban versus rural pharmacy location
- Type of pharmacy ownership
- Total Medicaid volume
- Medicaid volume as a percent of total volume
- Provision of unit dose dispensing services

One way to determine the statistical significance of differences in dispensing cost between the pharmacies classified by the above referenced characteristics is through the use of a *t*-test. The sample data may show that a certain group of pharmacies has a sample mean lower or higher than another group. Recognizing that the data only represents a sample, a *t*-test is a statistical technique that seeks to determine if the findings are strong enough that a similar relationship can be expected to exist for the entire population. The *t*-test takes into consideration the sample's size, mean, and underlying variance. Although the preference of using a weighted median as a measurement of central tendency was previously explained, a *t*-test requires the comparison of the *unweighted mean* costs.

Exhibit 15 provides additional statistical measures including the standard error of the mean and confidence intervals. Confidence intervals given in Exhibit 15 were calculated using appropriate statistics from the *t* distribution at the 95% confidence level. These intervals are a range estimate for the population mean,

and are based upon the sample mean, standard deviation, and sample size. A 95% confidence interval identifies the range which one would expect the mean from any sample to fall 95% of the time. It can be inferred that there is a 95% probability that the population mean lies within the range of the confidence interval.

All costs referred to in these analyses have been inflation adjusted to the common point of June 30, 2000.

1) Total Prescription Volume

Pharmacies were classified into meaningful groups based upon their differences in total prescription volume. Dispensing costs were then analyzed based upon these volume classifications.

Table 3.5 Pharmacy Total Annual Prescription Volume

Total Annual Prescription Volume of Pharmacy	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost
0 to 49,999	176	\$6.52	\$2.76
50,000 to 99,999	193	\$4.65	\$1.10
100,000 and Higher	84	\$4.17	\$0.73

There is a significant correlation between a pharmacy's total prescription volume and the dispensing cost per prescription. For all categories noted above differences in the mean dispensing cost were statistically significant (at the 5% level of significance). This result is not surprising because many of the costs associated with any business, included the dispensing of prescriptions, are fixed in nature, and do not vary significantly with increased volume. For stores with a higher total prescription volume, these fixed costs are spread over a greater number of prescriptions resulting in lower costs per prescription. (A more detailed analysis of cost variations attributable to total prescription volume using statistical regression techniques is presented later in the report.)

2) Chain Versus Independent Pharmacy Affiliation

Of the 453 pharmacies which did not dispense a significant volume of I.V. prescriptions, 273 were independent pharmacies and 180 were chain pharmacies.

Table 3.6 Chain Versus Independent Pharmacies

Type of Pharmacy	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost	Average Annual Total Prescription Volume
Independent	273	\$5.50	\$2.40	58,934
Chain	180	\$4.96	\$1.61	84,152

The use of a *t*-test indicates that the difference in the unweighted means is statistically significant (at the 5% level of significance). This means that there is evidence in the *sample* data to support the contention that there is a chain versus independent dispensing cost differential for the population of *all* chain and independent pharmacies.

Also noted in Table 3.6 is the average prescription volume for independent and chain pharmacies. It is noteworthy that the average volume of chain pharmacies in the sample is over 40% greater than the average volume observed for independent pharmacies. Since prescription volume, as noted previously, has a significant impact on the dispensing cost, the finding of statistical significant for chain versus independent pharmacies does not imply that chain pharmacies have lower costs simply because they are chains, but rather presents the possibility that the cost differential is volume related. Hypotheses such as these can be answered through the use of multivariate analysis, as discussed later in the report. A multivariate analysis using stepwise linear regression techniques was used to "control" for volume changes while determining the statistical significance of the chain versus independent affiliation of pharmacies. The results of this test revealed that affiliation status alone was not a statistically significant factor.

3) Urban Versus Rural Pharmacy Location

Myers and Stauffer used the zip code of each pharmacy to determine if it was located in a Metropolitan Statistical Area (MSA) as used by the federal Health Care Financing Administration (HCFA). Those in an MSA were considered to be urban, and those not in an MSA were considered rural. Pharmacies which were located outside of the commonwealth of Kentucky were excluded from this analysis.

Table 3.7 Urban Versus Rural Pharmacy Location

Location of Pharmacy	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost
Urban	157	\$5.14	\$1.73
Rural	286	\$5.37	\$2.34

The use of a *t*-test indicates that the difference in the unweighted means is not statistically significant (at the 5% level of significance).

As an additional analysis of pharmacy dispensing cost by location, pharmacies were grouped by Medicaid regions (see Table 3.8 and Chart 3.3).

Table 3.8 Dispensing Costs by Medicaid Region

Location of Pharmacy (Medicaid Region)	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost	Average Annual Total Prescription Volume
Region 1	30	\$6.30	\$3.72	59,856
Region 2	52	\$5.45	\$2.02	59,297
Region 3	93	\$4.72	\$1.16	83,044
Region 4	70	\$5.81	\$2.49	52,952
Region 5	68	\$5.09	\$2.20	72,493
Region 6	26	\$5.65	\$1.43	70,751
Region 7	32	\$5.64	\$2.52	64,203
Region 8	72	\$4.87	\$1.64	67,147

Some of the differences observed in the regional breakdown of dispensing cost are statistically significant (at the 5% level of significance). For example the two extremes, Region 1 (Paducah area) and Region 3 (Louisville area), have a statistically significant difference in dispensing costs. This observation of cost differential is, in part, attributable to total prescription volume differences between regions. Pharmacies with higher volumes, such as those observed in Region 3, are typically associated with lower dispensing costs per prescription. Other differences, such as between Region 3 (Louisville area) and Region 5 (Lexington area), are not statistically significant.

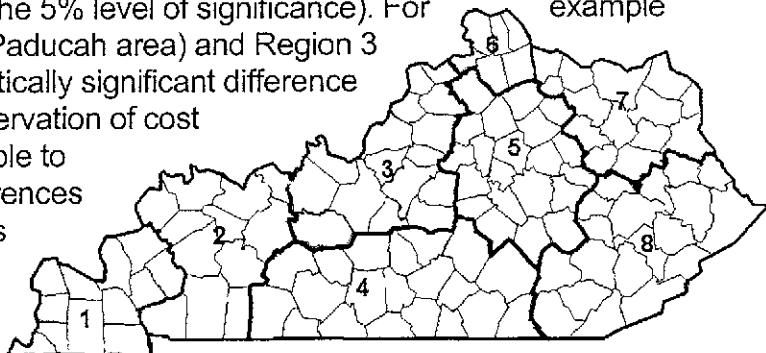


Chart 3.3 Kentucky Medicaid Regions

4) Type of Pharmacy Ownership

Pharmacies reported their ownership as being one of the following:

- Sole proprietor
- Partnership
- Corporation

Table 3.8 Pharmacy Ownership

Ownership Structure of Pharmacy	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost
Sole Proprietor	36	\$5.48	\$3.01
Partnership	7	\$7.26	\$5.04
Corporation	404	\$5.20	\$1.92

The majority, about 90%, of pharmacies had a corporate business structure. The differences in dispensing costs between corporate ownership structures and partnership ownership structures were statistically significant (at the 5% level of significance), however this observation is based on a very limited number of pharmacies organized as partnerships.

5) Total Medicaid Volume

Pharmacies were also classified based upon their Medicaid volume. Medicaid volume was supplied to Myers and Stauffer by the Department for Medicaid Services.

Table 3.10 Pharmacy Annual Medicaid Prescription Volume

Annual Medicaid Prescription Volume of Pharmacy	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost
0 to 1,999	107	\$5.59	\$3.02
2,000 to 10,000	172	\$5.43	\$1.99
10,000 and Higher	174	\$4.96	\$1.50

For the classifications shown, some differences in the mean dispensing cost were found to be statistically significant (at the 5% level of significance). It should be noted, however, that there is a correlation between Medicaid volume and total prescription volume. The relationship noted with regard to Medicaid volume, is a function of total prescription volume rather than Medicaid volume alone.

6) Medicaid Volume as a Percent of Total Volume

A better measure of the effect of a provider's Medicaid volume was to use Medicaid volume as a percent of total volume. To facilitate this analysis, pharmacies were arrayed into meaningful classifications of Medicaid utilization.

Table 3.11 Pharmacy Medicaid Utilization Ratio

Medicaid Prescription Volume as a Percent of Total Volume	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost	Average Annual Total Prescription Volume
0.0% to 1.9%	37	\$4.89	\$1.94	92,317
2.0% to 24.9%	203	\$5.02	\$1.86	75,943
25.0% and Higher	213	\$5.61	\$2.36	58,235

The differences in the sample means shown in Table 3.11 appear to be statistically significant for the high versus the medium group (at the 5% level of significance). However, as shown in the far right column, there is substantial variation in the total prescription volume between these three groups. This variation in volume suggests the possibility that total prescription volume is the actual reason for the cost differences. Hypotheses such as these can be answered through the use of multivariate analysis, as discussed later in the report. A multivariate analysis using stepwise linear regression techniques was used to "control" for volume changes while determining the statistical significance of the percentage of Medicaid prescriptions filled by pharmacies. The results of this test revealed that the percentage of Medicaid prescriptions filled was **not** statistically significant.

7) Provision of Unit Dose Dispensing Services

Pharmacies were classified by whether or not they provided prescription drugs in unit dose packaging.

Table 3.12 Provision of Unit Dose Prescription Services

Type of Pharmacy	Number of Stores	Unweighted Mean Cost	Standard Deviation of Cost	Median Weighted by Total Volume	Median Weighted by Medicaid Volume
Provides Unit Dose Services	68	\$5.71	\$2.07	\$5.00	\$4.65
Does Not Provide Unit Dose Services	385	\$5.21	\$2.14	\$4.40	\$4.40

The differences in the unweighted sample means observed here were **not** statistically significant¹¹.

¹¹ A multivariate analysis using stepwise linear regression techniques was used to "control" for volume changes while determining the statistical significance of the provision of unit dose services. The results of this test revealed that the provision of unit dose services added about 1% to the predictive power of the linear regression.

Multivariate Analysis

The analyses described above tested for significant differences in cost by analyzing one pharmacy attribute at a time. A more sophisticated method to analyze the impact of pharmacy characteristics upon dispensing cost is to use a multivariate regression analysis. In such an analysis, it is possible to control for factors known to affect dispensing cost, such as total prescription volume, and determine if other factors have a significant impact on dispensing cost. It is possible for an attribute to be not statistically significant in a *t*-test, but still be shown to have some effect on dispensing cost in a multivariate analysis (or vice versa).

Several analyses were conducted to identify potential correlation between pharmacy dispensing cost and certain pharmacy traits. These analyses used a multivariate stepwise linear regression technique. Using this approach, it is possible to control for factors known to affect dispensing cost, and at the same time test for the significance of any effect on dispensing cost caused by other traits. This approach allows for a more robust analysis of the potential influence of pharmacy characteristics on dispensing cost than can be achieved by *t*-tests alone. The traits that were used in the analysis included:

- Prescription sales volume
- Prescription sales ratio
- Type of location
- Unit dose delivery systems
- Delivery service
- Level and percent of Medicaid volume
- Total prescription volume
- Type of ownership
- Pharmacy building ownership
- Geographic location
- Provision of I.V. services
- Hours open
- Length of operation at location
- Percent of prescriptions dispensed paid by third party payers
- Type of affiliation
- Number and percent of Medicaid prescriptions which required a prior authorization

The attributes which proved to be the most significant were:

- Total prescription volume
- Provision of I.V. services
- Provision of delivery service

The relationship between total prescription volume and dispensing cost was especially pronounced. A linear model to predict total prescription dispensing costs based on prescription volume alone was able to explain over 80% of the variation in dispensing costs. Linear regression methods indicate that the regression equation which best describes the relationship of total prescription volume and total dispensing cost is:

$$\text{Total Costs (inflated)} = \$63,254 + \$3.76 \times (\text{Total Prescription Volume})^{12}$$

Chart 3.4 Relationship Between Total Costs and Total Prescription Volume

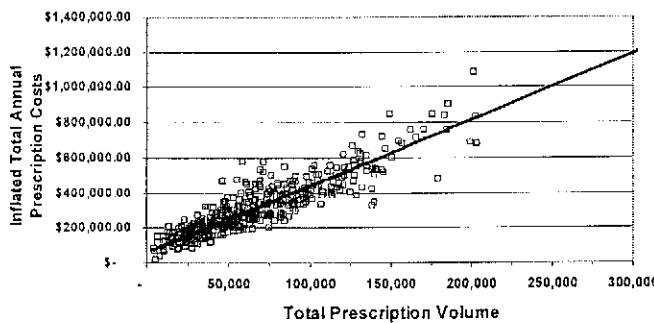
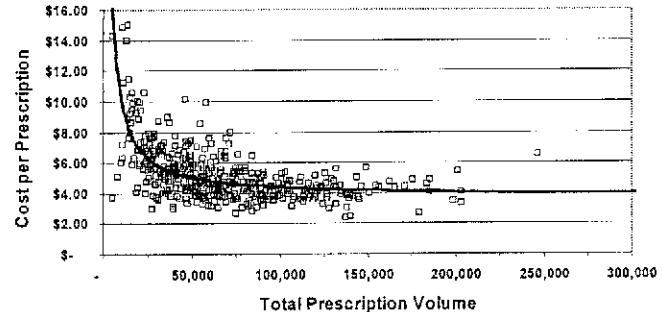


Chart 3.5 Relationship Between Cost per Prescription and Total Prescription Volume



This result implies that there are fixed costs of \$63,254 and variable costs of \$3.76 per prescription associated with the "typical" pharmacy. The average total prescription volume for pharmacies was approximately 69,000. For such a pharmacy, total prescription costs predicted by the equation are \$322,694, or \$4.67 per prescription. Clearly, for pharmacies with a high total prescription volume, fixed costs per prescription decrease. Conversely, low volume pharmacies have greater fixed costs per prescription (see Charts 3.4 and 3.5).

No other attribute contributed more than 2% to the predictive power of the linear regression techniques after controlling for the variation of total prescription volume.

¹² Excludes pharmacies which dispense a significant volume of I.V. prescriptions. The regression equation shown above was produced using an iterative regression technique which excluded some statistical outliers which would have had the effect of distorting the regression equation.

Myers and Stauffer used statistical regression techniques to analyze the impact on dispensing cost, if any, of the prior authorization program utilized by the Medicaid program. The Department for Medicaid services provided Myers and Stauffer with a report indicating the number of Medicaid prescriptions dispensed which required a prior authorization during state fiscal year 2000. This number was divided by the total number of Medicaid prescriptions dispensed (also provided by the Department) to determine the ratio of Medicaid prescriptions which required a prior authorization. There is clearly a certain amount of labor and other cost associated with time spent by pharmacy staff on prior authorization procedures for Medicaid and other third party prescription programs. Our analysis, however, failed to find any significant relationship of dispensing costs to the number of prior authorizations required by the Medicaid program.

Components of Cost

The dispensing costs of the surveyed pharmacies were broken down into the various components of overhead and labor related costs. More information on this subject is included in Appendix B.

Summary

To summarize, the significant findings from the dispensing cost survey are as follows:

- **One-quarter of all Medicaid prescriptions were filled by pharmacies with an average dispensing cost of \$3.82¹³ or less.** By definition, pharmacies in the first quartile are more efficiently operated than those providers with higher costs. The first quartile includes a mix of urban and rural providers and chain and non-chain stores. Although high volume was generally correlated with lower costs and efficiency there were several pharmacies with less than the median volume (approximately 60,000 total prescriptions/year) represented in this first quartile. No external characteristics were identified that would prevent the majority of pharmacies in the Commonwealth from operating with a level of efficiency that would result in dispensing costs of \$3.82 or less per prescription.
- **The statewide median cost of dispensing, weighted by Medicaid volume, was \$4.51.** This figure of \$4.51 is \$0.04 less than findings from the 1999 study. Although some inflationary pressures have operated on

¹³All dispensing costs have been inflated to the common fiscal year midpoint of June 30, 2000. Dispensing costs reported here do not include the Commonwealth's prescription tax, which was levied against the combined payment for the pharmacy professional fee and the cost of goods. Pharmacies which dispense a significant amount of I.V. prescriptions are excluded from this measurement.

pharmacies in the interim period between surveys, mean pharmacy total prescription volume has also increased from approximately 64,000 prescriptions in the 1999 study to approximately 73,000 prescriptions in this study. This increase in volume and accompanying increases in efficiency have served to offset cost increases due to inflation.

- No association was found between dispensing cost and unit-dose packaging or other measures of long term care dispensing activity; i.e., ambulatory and long term care pharmacies had similar average costs of dispensing.
- There was an association found between dispensing cost and the chain or non-chain affiliation status of the pharmacy. This phenomenon, however, appears to be related to the higher total prescription volume of chain stores and the increased efficiency associated with higher volume.
- No association was found between dispensing cost and the urban or rural location of a pharmacy.
- No systematically higher costs associated with pharmacies that have a higher percentage of Medicaid prescription volume were found.

Table 3.12 Inflation Adjusted Median Dispensing Cost

Period	Midpoint	Inflation Adjusted ^A Median ^B Dispensing Cost
Calendar Year 2000	6/30/2000	\$4.51
State Fiscal Year 2001	12/31/2000	\$4.57
Calendar Year 2001	6/30/2001	\$4.63
State Fiscal Year 2002	12/31/2001	\$4.67

^A Inflation factors are based on the CPI, All Urban. Future inflation projections are based on the CPI, All Urban, as published in *Health Care Cost Review, Second Quarter 2000* by Standard & Poor's DRI.

^B Weighted by Medicaid prescription volume.

Chapter

4

Prescription Charges Survey

In addition to the actual cost to dispense prescriptions to Medicaid recipients, another factor of interest to the Department was the issue of reimbursements paid by other payers of pharmaceuticals. To determine this, a survey of prescription charges was obtained from Kentucky pharmacies. This survey enabled an analysis of payments received from cash customers and third party payers other than Medicaid.

Methodology

A prescription charges survey was included as an attachment to the dispensing cost survey mailed to each pharmacy (see Exhibit 1). The survey instrument provided for a listing of 50 new prescriptions from one of two survey dates – May 20, 1999, or November 20, 1999. Each pharmacy was asked to list the first 50 new prescriptions filled on or immediately following one of these dates, excluding compounded prescriptions. The survey dates were randomly assigned to each pharmacy so that approximately one-half of the sampled pharmacies was assigned each date. The information requested for each prescription was the prescription number, the name and the strength of the drug, the National Drug Code (NDC) number, the quantity filled, the actual selling price of the prescription, and a code indicating whether the prescription was paid for by a cash-paying customer or a third party reimbursement plan.

The usual and customary survey was utilized for several purposes:

- First, it was used to provide a test of the pharmacy's reported prescription sales and/or number of prescriptions dispensed.
- Second, it was used to determine an estimate of the average prescription reimbursement for each pharmacy. Because prescriptions were marked as being a third party or cash customer, the survey served as a means to estimate the average reimbursement received by pharmacies from these types of customers.

Not all pharmacies filed a usable prescription charge survey; however, a sufficient number of surveys, 302, were available. After data entry and editing, we analyzed the selling price data from approximately 15,000 prescriptions.

Analysis and Findings

Reimbursement Paid by Other Payers

The data in the prescription charges survey made it possible to estimate the reimbursement paid by other third party payers and cash paying customers. In order to derive the typical reimbursement from other payers, we used a bivariate statistical regression technique. This technique allowed us to use the reimbursement reported on the survey, and the known average wholesale price of the drug to estimate both the ingredient and dispensing reimbursement components of other third party payers and cash paying customers.

An example of this technique is shown in Chart 4.1. In this example, commercial third party prescriptions for brand name products were priced at the applicable AWP price and subjected to analytical procedures to identify statistical outliers. The ensuing data was plotted using

the AWP price and the amount of reimbursement to the pharmacy. A linear regression was performed on the data resulting in the equation of a line that best fits the data points. The slope of the regression line, 0.860, provides an estimate for the average ingredient reimbursement for brand name drugs: AWP minus 14.0%. The *y*-intercept of the regression line, \$2.60, serves as an estimate for the average dispensing fee. As the graph indicates, there is some variability in the actual reimbursement both above and below the regression line. This is measured by the equation's *standard error of the estimate*: \$2.36. Results of this example and other subsets of the charge survey data are summarized in Table 4.1.

Chart 4.1 Prescription Charges Survey
Commercial Third Party Rxs (Brand Name Products Only)

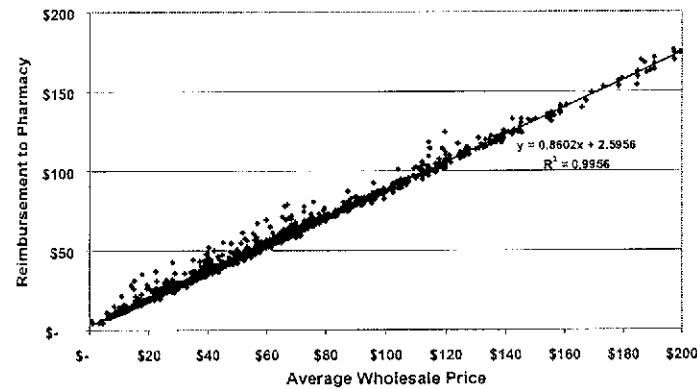


Table 4.1 Regression Analysis of Reimbursement by Pharmaceutical Payers for Brand Name Drug Products

Payer Type	Number of Prescriptions in the Sample	Estimated Ingredient Reimb. % of AWP	Estimated Dispensing Fee	Standard Error of the Estimate
Cash	932	93.6%	\$4.98	\$5.28
Commercial Insurance (i.e. PBM)	2,631	86.0%	\$2.60	\$2.36
Medicaid Fee For Service	647	90.3%	\$4.65	\$2.11
Medicaid Managed Care	513	89.0%	\$4.45	\$2.42
Worker's Comp.	33	91.8%	\$4.45	\$6.25
CHAMPUS	14	85.3%	\$2.93	\$3.56

The calculation of Medicaid's fee (actual rates are \$4.75 dispensing fee and AWP minus 10% for ingredients) for service rates provides confirmation that the bivariate methodology produces meaningful results. Possible explanations for the variation in the estimation of Medicaid fee-for-service rates include the use of a \$5.75 dispensing fee for prescriptions to patients in a long-term care setting, the application of the lesser of usual and customary charge, and reporting errors by survey participants.

The survey shows that commercial third party payers are reimbursing pharmacies at substantially lower dispensing and ingredient rates than are currently paid by Kentucky Medicaid. The findings in relation to commercial third parties are consistent with a survey performed by Myers and Stauffer for the Department in 1997¹⁴. In this survey of over 300 insurance plans, the median dispensing fee was found to be \$2.50 and the median ingredient reimbursement for brand name drugs was AWP minus 12%.

A similar analysis on multi-source products (see Table 4.2) revealed higher variation of reimbursement, particularly for products with an FUL price. Accordingly, estimates of the average reimbursement for these types of products are less conclusive. This can be attributed to the greater variation of actual acquisition cost by item versus the AWP for multi-source products. The data

¹⁴ See *A Study of the Cost of Economically and Efficiently Dispensed Prescription Medications*, January 1998, prepared by Myers and Stauffer LC for the Department for Medicaid Services.

suggests that more varied reimbursement systems (e.g. alternative MAC¹⁵ pricing schedules proprietary to a PBM) are used by third party payers for these products with an FUL price.

Table 4.2 Regression Analysis of Reimbursement by Pharmaceutical Payers for Multi-Source Products

Class of Multi-Source Products	Payer Type	Number of Prescriptions in the Sample	Estimated Ingredient Reimb. % of AWP	Estimated Dispensing Fee	Standard Error of the Estimate
No FUL Price	Cash	776	92.7%	\$3.89	\$3.46
	Commercial Insurance	1,106	86.2%	\$2.47	\$2.35
	Medicaid FFS	448	89.3%	\$4.66	\$2.37
	Medicaid MCO	308	89.0%	\$3.98	\$1.93
	Worker's Comp.	21	92.9%	\$3.18	\$3.31
	CHAMPUS	8	80.7%	\$2.08	\$1.10
Has FUL Price	Cash	786	62.7%	\$5.53	\$2.23
	Commercial Insurance	809	71.4%	\$2.78	\$1.81
	Medicaid FFS	647	65.1%	\$4.00	\$1.61
	Medicaid MCO	513	60.8%	\$3.81	\$1.52
	Worker's Comp.	19	80.3%	\$4.00	\$2.52
	CHAMPUS	17	67.9%	\$3.15	\$1.19

Over-the-Counter (OTC) Products

The prescription charge data was also analyzed with respect to non-legend drug products. Only a limited number of OTC product data was supplied by pharmacies responding to the prescription charge survey. Of the OTC data that was available, the only group for which there was sufficient data to support the regression analytical technique was multi-source products without an FUL price. The analysis is summarized in Table 4.3.

¹⁵ "Maximum Allowable Cost"

Table 4.3 Regression Analysis of Reimbursement by Pharmaceutical Payers for Multi-Source OTC Products

Payer Type	Number of Prescriptions in the Sample	Estimated Ingredient Reimb. % of AWP	Estimated Dispensing Fee	Standard Error of the Estimate
Commercial Insurance (i.e. PBM)	61	88.4%	\$1.88	\$2.39
Medicaid Fee For Service	104	88.0%	\$5.34	\$2.65
Medicaid Managed Care	54	85.1%	\$4.78	\$1.56

Additional information regarding the reimbursement of OTC products was obtained from informal telephone interviews with staff of the Medicaid programs in states neighboring Kentucky. Table 4.4 summarizes information gathered from these interviews.

Table 4.4 OTC Reimbursement by other State Medicaid Programs

State	OTC Disp. Fee	OTC Ingrd. Reimb.	Comments
Illinois	-	150% of AWP	There is no dispensing fee paid for OTC products.
Indiana	-	State MAC	Indiana has a limited OTC formulary. State MACs are set on OTC products based on the median or average AWP. Payment is lesser of the usual and customary charge or 150% of the MAC price. There is no dispensing fee paid on OTC prescriptions.
Missouri	\$4.09	AWP minus 10.43%	Same reimbursement formula as all other (legend) prescriptions. Record keeping and counseling requirements are the same as for all other prescriptions.
Ohio	\$3.70	WAC plus 11%	OTC reimbursement formula is the same as for legend drugs. In the case that a drug does not have a WAC price, an AWP minus 11.2% formula is used.
Tennessee	<i>100% Managed Care (TennCare)</i>		
Virginia	\$4.25	AWP minus 9%	Same reimbursement formula as legend prescriptions; limited to one dispensing fee per month.
West Virginia	\$3.90	AWP minus 12%	West Virginia started covering OTCs in 1998. Pharmacists are asked to submit the "sticker" price as the usual and customary charge (with no dispensing fee added). This rule has not been enforced by audits. Utilization of OTCs has been very low.

Conclusions

Based on the prescription charges survey, it appears that other third party payers are reimbursing for pharmaceuticals at rates less than those paid by Kentucky Medicaid. Additionally, third party payers (excluding Medicaid) are not allowing for any margin in their dispensing fees. In fact, dispensing fees paid by most third party payers are set at levels well below the dispensing cost of most pharmacies. Margins are still realized on most third party prescriptions, however, due to the level of ingredient reimbursement.

Appendix A. Development of the Dispensing Cost Survey Methodology

The methodology used for conducting the survey of pharmacy dispensing costs is presented in Chapter 3 of the report. The following tables provide background information regarding the development of the methodology and references to other surveys and publications which provide discussion regarding the calculation of pharmacy dispensing cost and related matters.

Table A.1 Academic References to Pharmacy Dispensing Cost Studies

Gagnon, Jean Paul, "Prescription Department Cost Analysis." <i>Pharmacy Management</i> 151 (Sept. – Oct., 1979): 235-40.
Carroll, N.V. "Costs of Dispensing Private-Pay and Third-Party Prescriptions in Independent Pharmacies." <i>Journal of Research in Pharmaceutical Economics</i> 1991;3(2):3-16
Carroll, N.V. "Forecasting the Impact of Participation in Third-Party Prescription Programs on Pharmacy Profits." <i>Journal of Research in Pharmaceutical Economics</i> 1991;3(3):3-23
Huey, Cheryl; Jackson, Richard; Pirl, Margaret, "An Analysis of the Impact of Third-Party Prescription Programs on Community Pharmacy." <i>Journal of Research in Pharmaceutical Economics</i> 1995;6(2):57-72
Schommer, Jon et. al., "1999 Minnesota Pharmacist Compensation and Labor Survey: Part 1, Pharmacists' Hourly Wages and Benefits." University of Minnesota College of Pharmacy, 1999.

Table A.2 Cost Allocation Methodologies Commonly Used in Health Care Settings

Type of Cost	Statistical Basis Used for Pharmacy Survey	Statistical Basis Used in Medicare Cost Reporting
Capital Related (e.g. depreciation, rent, repairs, real estate taxes)	Square Footage	Square Footage
Utilities	Square Footage	Square Footage
Interest, Insurance, telephone, supplies, accounting and legal fees	Revenue	Revenue, Accumulated Costs
Labor	Hours Worked	Hours Worked

Table A.3 Pharmacy Dispensing Cost Surveys Using Similar Cost Allocation Methodologies

Report Date	Title of Published Report	Organization / Individuals Performing Survey	Survey Sponsor
May 1990	An Assessment of Chain Pharmacies' Cost of Dispensing a Third Party Prescription	Pharmaceutical Economics Research Center; School of Pharmacy and Pharmaceutical Sciences; Purdue University; Kenneth W. Schafermeyer; Stephen W. Schondelmeyer; Joseph Thomas III	National Association of Chain Drug Stores
March 1991	Reimbursement for Pharmaceutical Services in Missouri	University of Missouri – Kansas City School of Pharmacy - Ashok K. Gumbir, Ph. D.; Johnny L. Anderson, Ph. D. (candidate)	Missouri Department of Social Services – Division of Medical Care
June 1994	Pharmacy Reimbursement Rates: Their Adequacy and Impact on Medicaid Beneficiaries	E. Kathleen Adams, Ph. D.; Norma Gavin; SysteMetrics; David H. Kreling, Ph. D.	Health Care Finance Administration

(Additionally, Myers and Stauffer has performed approximately 40 studies of pharmacy dispensing cost in 17 states.)

Appendix B. Components of Pharmacy Dispensing Cost

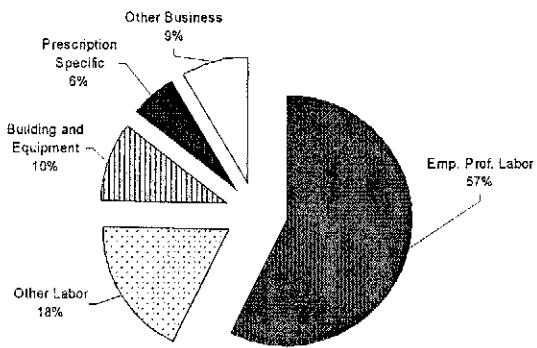
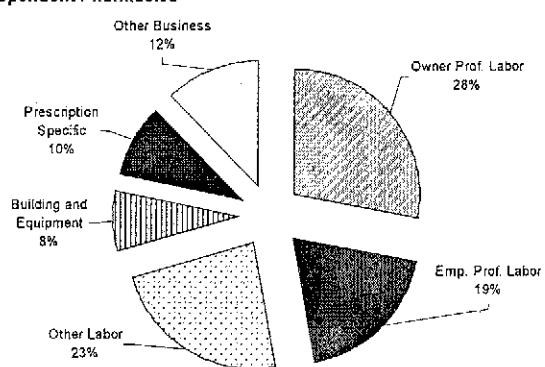
Information on prescription dispensing cost was collected on the cost survey in individual expense categories. We analyzed the various components of the average dispensing cost for the pharmacies in the sample. Table B.1 and Charts B.1 and B.2 display the various cost components of the mean costs for pharmacies in the sample. Mean costs shown are weighted by Medicaid prescription volume.

Expenses were classified as follows:

- Owner professional labor – owner's labor costs were subject to constraints in recognition of its special circumstances as previously noted.
- Employee professional labor consists of employee pharmacists.
- Other labor includes the cost of delivery persons, interns, technicians, clerks and any other employee with time spent performing the prescription function of the pharmacy.
- Building and equipment expense includes depreciation, rent, ownership costs, repairs, utilities and any other expenses related to building and equipment.
- Prescription-specific expense includes pharmacist-related dues and subscriptions, prescription containers and labels, prescription-specific computer expenses, continuing education, and any other expenses that are unique to the prescription dispensing business.
- Other business expenses consist of all other expenses that were allocated to the prescription dispensing function of the pharmacy including interest, insurance, telephone, and legal and professional fees.

Table B.1 Components of Prescription Dispensing Cost

Type of Expense	Chain Pharmacies	Independent Pharmacies
Owner Professional Labor	\$0.00	\$1.36
Employee Professional Labor	\$2.76	\$0.94
Other Labor	\$0.87	\$1.15
Building and Equipment	\$0.50	\$0.38
Prescription Specific Expenses	\$0.29	\$0.47
Other Business Expenses	\$0.41	\$0.60
Total	\$4.83	\$4.90

Chart B.1 Components of Cost per Prescription for Chain Pharmacies**Chart B.2 Components of Cost per Prescription for Independent Pharmacies**

Clearly, the single largest component of cost is labor with both independents and chain pharmacies spending between 70% and 80% of their overall prescription costs on labor related costs. Chain pharmacies tend to have a larger portion of their labor costs devoted to professional labor compared to independents which tended to have higher "other" labor (which is partially explained by labor costs for delivery services). Otherwise, the distributions of costs between chain and independent pharmacies were similar.

Appendix C. Summary of Pharmacy Attributes

A number of pharmacy attributes were collected on the cost survey. Many of these attributes were used during the review of the cost survey, and also allowed for an analysis of the variations in cost. In the following table, many of these attributes are summarized for informational purposes without any discussion as to their relationship to dispensing cost.

Table C.1 Summary of Pharmacy Attributes

Attribute	Number of Pharmacies Responding Affirmatively	Average for Pharmacies Responding Affirmatively
Provision of Delivery Services	228	22% of prescriptions
Provision of Delivery Services for Medicaid Recipients	212	22% of Medicaid prescriptions
Provision of Mail Order Services	116	2% (No pharmacies with a significant mail order volume responded to the survey.)
Provision of Unit Dose Services	75	21% of prescriptions (76% of unit dose prescriptions were prepared in the pharmacy; 24% were purchased already prepared from a manufacturer)
Provision of Prescriptions to Nursing Homes	90	20% of prescriptions
Provision of I.V. Services	25	26% of prescription sales (13 pharmacies had IV sales greater than 5% of prescription sales - for these six pharmacies, the average was 49%)
Provision of 24 Hour Emergency Services	209	N/A
Hours Open Per Week	466	63 Hours
Years Open at Current Location	461	19 Years
Percent of Prescriptions to Third Party Payers	281	73%

Table of Exhibits

- Exhibit 1 Kentucky Medicaid Pharmacy Cost Report
- Exhibit 2 Kentucky Medicaid Pharmacy Cost Report Instructions
- Exhibit 3 Initial Letter from Department for Medicaid Services for Dispensing Cost Survey
- Exhibit 4 Initial Letter from Myers and Stauffer for Dispensing Cost Survey (Independent Pharmacies)
- Exhibit 5 Initial Letter from Myers and Stauffer for Dispensing Cost Survey Chain Pharmacies)
- Exhibit 6 First Letter from Kentucky Pharmacists Association to Encourage Survey Participation
- Exhibit 7 Second Letter from Department for Medicaid Services for to Encourage Survey Participation
- Exhibit 8 Second Letter from Kentucky Pharmacists Association to Encourage Survey Participation
- Exhibit 9 Follow-up Letter from Myers and Stauffer
- Exhibit 10 Letter from the Cabinet for Health Services, Office of General Counsel to Encourage Survey Participation
- Exhibit 11 Example of a Request for Additional Information
- Exhibit 12 Summary of Field Examination Findings
- Exhibit 13 Calculation of Container Cost per Prescription
- Exhibit 14 Table of Inflation Factors for Dispensing Cost Survey
- Exhibit 15 Pharmacy Dispensing Cost Survey Data - Statistical Summary

Agency Use Only

Kentucky Medicaid Pharmacy Cost Report

Kentucky Medicaid
Provider Number

Survey Forms by Myers and Stauffer LC
 Certified Public Accountants
 4123 SW Gage Center Drive, Suite 200
 Topeka, Kansas 66604

Under Contract with the Kentucky Department for Medicaid Services

ROUND ALL AMOUNTS TO NEAREST DOLLAR OR WHOLE NUMBER.

Please complete and return by OCTOBER 2, 2000

Instructions are enclosed. Please call toll-free (800) 255-2309 if you are having difficulty completing this report.

Name of Pharmacy _____ Telephone No. (_____) _____

Street Address _____ Fax No. (_____) _____

City _____ County _____ State _____ Zip Code _____

DECLARATION BY OWNER AND PREPARER

I declare that I have examined this cost report including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, complete, and in agreement with the related Books or Federal Income Tax Return, except as explained in the Reconciliation. Declaration of preparer (other than owner) is based on all information of which preparer has any knowledge.

Your Signature	Print/Type Name	Title/Position	Date
----------------	-----------------	----------------	------

Preparer's Signature (other than owner)	Title/Position	Date
---	----------------	------

Preparer's Street Address	City and State	Zip	Phone Number
---------------------------	----------------	-----	--------------

SECTION IA--PHARMACY ATTRIBUTES

(a) List the total number of all prescriptions dispensed during the fiscal year as follows:

New _____	Refill _____	Total _____
(See Instructions)		

(b) Type of Ownership:
 1. Individual 2. Corporation 3. Partnership 4. Not-for-Profit 5. Institutional 6. Other (specify) _____(c) Location:
 1. Medical Office Building 2. Shopping Center 3. Separate or downtown 4. Other (specify) _____(d) Ownership Affiliation:
 1. Independent (1-4 Units) 2. Chain Unit (5 - 14 Units) 3. Chain Unit (15 or More Units)(e) Do you dispense in anything other than traditional packaging to long-term care facilities? If yes, indicate how:
 1. Unit dose 2. Modified unit dose (bingo cards/blister packs)
 3. Both 4. No unit dose

What is the approximate percent of all prescriptions dispensed in unit dose packaging? _____

(f) If you checked box 1, 2, or 3 of (e), what percent of the unit dose prescription packaging is:
 1. Purchased from manufacturers _____
 2. Prepared in the pharmacy _____

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Survey Forms by Myers and Stauffer LC
Certified Public Accountants

- (g) Do you or does a related party own your building? Yes No

If yes, please report the depreciated value of your building (the portion used by the pharmacy if other portions are rented). _____

- (h) What percent of total prescriptions filled are delivered? _____

What percent of Medicaid prescriptions filled are delivered? _____

- (i) Are you presently providing home IV or infusion therapies and/or enteral nutrition therapy? Yes No

If yes, what is the dollar amount of your sales for those Rx's? _____

- (j) How many hours per week is your pharmacy open? _____

- (k) How many years has a pharmacy operated at this location? _____

- (l) What is the approximate percent of your prescriptions dispensed to nursing home residents? _____

- (m) What is the amount of interest expense included on line 14 (of page 3) that is for prescription drug purchases and/or prescription drug inventory? If none, please record zero. _____

What was the value of the prescription drug inventory at the end of the fiscal year? _____

- (n) What was the balance of any notes payable at the end of the fiscal year? _____

What was the balance of any mortgage payable at the end of the fiscal year? _____

- (o) Do you provide 24-hour emergency services for pharmaceuticals? Yes No

- (p) Does your pharmacy dispense prescriptions by mail? Yes No

If yes, please complete the following, otherwise skip to Section IB.

What is the approximate percentage of the total number of prescriptions that are dispensed by mail? _____

Please indicate below the expenses incurred to mail prescription drugs along with the line number from page 3 of the cost report on which the expense is being reported:

	Postage	Amount	Line Number
	Packaging		
Other (specify) _____			

Section IB -- OTHER INFORMATION

Please list any additional information you feel contributes significantly to your cost of filling a prescription. Also, if you have a significant amount of non-retail sales of drugs at cost, please note the amount and if it is included in line (1), column (1) on page 3.

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(8/2000)

Survey Forms by Myers and Stauffer LC
Certified Public Accountants

ROUND ALL AMOUNTS TO NEAREST DOLLAR OR WHOLE NUMBER.

SECTION IIA -- SALES AND FLOOR SPACE

	Prescription Drugs Only	Total Store Including Prescription Drugs	Line No.
Sales (Excluding Sales Tax)	_____	_____	(1)
Cost of Goods Sold	_____	_____	(2)
Floor Space (Retail area only). Please measure. Do not estimate.	_____ Sq. Ft.	_____ Sq. Ft.	(3)

SECTION IIB -- OVERHEAD EXPENSES

Complete this section by referring to the line numbers in the left columns that correspond to federal income tax return lines or use internal financial statements.

The following information is from tax/fiscal year ending..... / / (4)

1998 and 1999

Tax Form Number

1040C	1085	1120	Q	S		Total Expense	Agency Use Only	Line No.
13	16a	20	14a		Depreciation (This fiscal year only -- not accumulated).....	_____	_____	(5)
23	14	17	12		(a) Personal Property Taxes Paid.....	_____	_____	(6)
					(b) Real Estate Taxes.....	_____	_____	(7)
					(c) Payroll Taxes.....	_____	_____	(7a)
					(d) Sales Taxes.....	_____	_____	(7b)
					(e) Rx Tax.....	_____	_____	(7c)
					(f) State Income Tax (Corporations Only).....	_____	_____	(8)
					(g) Any other taxes, specify each type and amount.....	_____	_____	(9)
20b	13	16	11		Rent (a) Building Rent (See Instructions)	_____	_____	(10)
20a	13	16	11		(b) Equipment and Other.....	_____	_____	(11)
21	11	14	9		Repairs.....	_____	_____	(12)
15	20	26	19		Insurance (a) Workers Compensation and Employee Medical.....	_____	_____	(13)
15	20	26			(b) Other.....	_____	_____	(14)
16a&b	15	18	13		Interest.....	_____	_____	(15)
17	20	26	19		Legal and Professional Fees.....	_____	_____	(16)
27	20	26	19		Dues and Publications	_____	_____	(17)
9	12	15	10		Bad Debts (This fiscal year only -- not accumulated).....	_____	_____	(18)
			19		Charitable Contributions (Corporations Only).....	_____	_____	(19)
25	20	26	19		Telephone.....	_____	_____	(20)
25	20	26	19		Heat, Water, Lights, and other Utilities (Sewer & Trash).....	_____	_____	(21)
18&22	20	26	19		Operating and Office Supplies (Exclude Rx containers and labels).....	_____	_____	(22)
8	20	23	16		Advertising.....	_____	_____	(23)
27	20	26	19		Rx Computer Expenses (See Instructions).....	_____	_____	(24)
10	20	26	19		Rx Delivery Expenses (See Instructions).....	_____	_____	(25)
27	20	26	19		Rx Containers and Labels (See Instructions).....	_____	_____	(26)
Var	18+	24+	17+		Other Expenses not included elsewhere (attach schedule if necessary).....	_____	_____	(27)
	19+	25+	18+		Specify each item and corresponding amount: _____	_____	_____	(28)
20	26	19				_____	_____	(29)
					Total Overhead Expenses [Add Line (5) through Line (29)].....	_____	_____	(30)

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Survey Forms by Myers and Stauffer LC
Certified Public Accountants

SECTION IIC ---PERSONNEL COSTS---List each person separately (except Line 44). Attach schedule if necessary.

	<u>Check If RPh</u>	<u>Estimate Percent of Prescriptions Dispensed By Each RPh</u>	<u>Annual Salaries and/or Drawings</u>	<u>AGENCY USE ONLY</u>	<u>No. Weeks Employed This Fiscal Year</u>	<u>Average Weekly Hours Total Store Including Rx Dept.</u>	<u>Rx Dept. Related Duties Only</u>	<u>Line No.</u>
Owners, Individual Proprietors, Partners, & Stockholders.....	_____	_____	_____	_____	_____	_____	_____	(31)
	_____	_____	_____	_____	_____	_____	_____	(32)
	_____	_____	_____	_____	_____	_____	_____	(33)
Employee and Relief Pharmacists.....	_____	_____	_____	_____	_____	_____	_____	(34)
	_____	_____	_____	_____	_____	_____	_____	(35)
	_____	_____	_____	_____	_____	_____	_____	(36)
	_____	_____	_____	_____	_____	_____	_____	(37)
Interns.....	_____	_____	_____	_____	_____	_____	_____	(38)
	Total:	100%	_____	_____	_____	_____	_____	(38a)
Rx Delivery	XXX	XXXXXXXXXX	_____	_____	_____	_____	_____	(39)
Other Employee with Time In Rx Dept. (Including Rx Technicians)	XXX	XXXXXXXXXX	_____	_____	_____	_____	_____	(40)
	XXX	XXXXXXXXXX	_____	_____	_____	_____	_____	(41)
	XXX	XXXXXXXXXX	_____	_____	_____	_____	_____	(42)
	XXX	XXXXXXXXXX	_____	_____	_____	_____	_____	(43)
ALL NON-Rx EMPLOYEES.....	XXX	XXXXXXXXXX	_____	XXXXX	XXXXXX	XXXXXX	XXXXXX	(44)
TOTALS.....			_____	_____	_____	_____	_____	(45)

SECTION IID ---RECONCILIATION WITH TAX RETURN (or Books if multistate operation)

1998, 1999
TAX FORM NUMBER

				<u>Column 1 Cost Report Amounts</u>	<u>Column 2 Books or Tax Return Amounts</u>
1040C	1065	1120	1120S		
28	21	27	20	Total Expenses per Tax Return/Books (Circle one used).....	_____ (46)
				Enter Amount from Line 30).....	_____ (47)
				Enter Amount from Line 45).....	_____ (48)
				Total Expenses per this Cost Report [Add Lines (47) and (48)].....	_____ (49)
				Specify Items with Amounts That Are on Cost Report But Not on Tax Return (or books) _____	_____ (50)
				_____	_____ (51)
				Specify Items with Amounts That Are on Tax Return (or Books) But Not on This Cost Report _____	_____ (52)
				_____	_____ (53)
				Total [Add Lines (46) - (53)] Column Totals Should be equal.....	_____ (54)

Exhibit 1**SECTION III---KENTUCKY PHARMACY PRESCRIPTION CHARGES SURVEY**

Survey Date

5/20/1999

Kentucky Medicaid
Provider Number
[REDACTED]

Survey Forms by Myers and Stauffer LC, Certified Public Accountants
New Prescriptions Only – Exclude Compounded Rx's / Include Over-the Counter Rx's if Reimbursed by Third Party
[REDACTED]

Please review the instructions prior to completing this form.

Line Number	Rx Number	Payer Code See Codes Below	Drug Name, Strength	Mfr	NDC Number Drug	Pkg	Quantity Filled Use Medicaid Units	Actual Selling Price (amount received)
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								

Exhibit 1**SECTION III---KENTUCKY PHARMACY PRESCRIPTION CHARGES SURVEY**

Survey Date

5/20/1999

Kentucky Medicaid
Provider Number
[Redacted]

Survey Forms by Myers and Stauffer LC, Certified Public Accountants

New Prescriptions Only -- Exclude Compounded Rxs / Include Over-the Counter Rxs if Reimbursed by Third Party

Please review the instructions prior to completing this form.

Line Number	Payer Code See Codes Below	Rx Number	Drug Name, Strength	Mfr	NDC Number Drug	Pkg	Quantity Filled Use Medicaid Units	Actual Selling Price (amount received)	Total
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									
41									
42									
43									
44									
45									
46									
47									
48									
49									
50									

yer Codes: Cash - C; Medicaid (Fee for Service) - MF; Medicaid Managed Care - MM; CHAMPU - CH; Workers Compensation - W; Private Insurance - P; Other - O

Kentucky Medicaid Pharmacy Cost Report

Exhibit 2

Page 1
(8/2000)

Survey Forms by Myers and Stauffer LC
Certified Public Accountants
4123 SW Gage Center Drive, Suite 200
Topeka, Kansas 66604
800-255-2309

Under Contract with the Kentucky Department for Medicaid Services

PURPOSE: The purpose of this survey is to determine the cost of dispensing prescriptions in the Commonwealth of Kentucky.

WHO MUST FILE

Except for the following, all pharmacies that are Kentucky Medicaid providers should file this cost report:

- New pharmacies that were in business less than six months during the reporting period
- Pharmacies with a change of ownership that resulted in less than six months in business during the reporting period

If your pharmacy meets one of the exceptions listed above, please check the box next to the explanation describing your business, write your pharmacy name and provider number, sign your name, and return only this page in the enclosed envelope.

KY Medicaid Provider Number _____ Provider Name _____

Signature of Owner _____ Telephone Number _____

GENERAL INSTRUCTIONS

If any assistance is needed in completing this survey, please call toll-free (800) 255-2309. Please complete these forms using your most recent fiscal year ending on or before December 31, 1999 and return them by OCTOBER 2, 2000. Most retail pharmacies can complete these survey forms by using their most recent federal income tax return. Most expense items requested can be transferred directly from a line on the tax return to a line on the cost report. Line reference numbers of four tax forms are listed on the left side of the cost report. Simply locate the column for your tax form.

If you prefer, send us a copy of your income tax return (Form 1065, 1120, 1120S, or Schedule C of Form 1040 including supporting schedules) or your financial statements and we will complete the overhead expenses, Section IIB, Page 3 and Section IID, Page 4, for you. You will still need to fill in the remaining sections of the cost report. If you send a copy of your tax return, identify any expenses that are 100% Rx-Department expenses such as continuing education, and identify any expenses that are totally non-Rx Department expenses such as fountain expenses, etc. By sending any of these tax forms, you will not be providing us with any information other than that requested if you completed the survey yourself. We will destroy the tax forms after entering the information on the survey.

Please remember to round all amounts to the nearest dollar or whole number.

Retail Chain Pharmacies

Expenses incurred by chain pharmacies such as administration, central operating, or other general expenses should be allocated to individual units. **Warehousing expenses must be either separately identified or included in cost of goods sold.** Methods of allocation must be reasonable and conform to generally accepted accounting principles. Please explain any allocation procedures used. Allocated costs should be clearly identified and entered on lines 27, 28 and/or 29.

Exhibit 2Page 2
(8/2000)**SECTION IA --- PHARMACY ATTRIBUTES**

The information gathered from your answers to these questions will be analyzed to determine its relationship to your cost of dispensing a prescription. You may have to provide estimates for some answers; please estimate as carefully and accurately as possible.

- **Line (a) --- "Prescriptions Dispensed."** Please report the total number of all prescriptions filled **during the fiscal year** of the costs reported on pages 3 and 4 of this cost report. This information may be kept on a daily or monthly log or on your computer. If you keep no record of the number of prescriptions you fill, the amount may be estimated using the following method. (1) Often your Rx numbering system may be used to estimate new Rxs. Subtract the Rx number of the first prescription filled in your fiscal year from the Rx number of the last prescription filled. (2) Take a sample over several days showing the number of refill prescriptions and new prescriptions. Divide the number of refills by the number of new prescriptions in your sample. Multiply that amount times the number of new prescriptions determined in (1) above to estimate the number of refill prescriptions for your fiscal year.

SECTION IIA --- SALES AND FLOOR SPACE

- **Line (1) -- Please list total store sales excluding sales tax.** Total store sales and cost of goods sold are shown on the federal income tax return. If there is no separate record of prescription drug sales, estimate it as accurately as possible. Sales of prescription drug items **should not include nonprescription OTC's, durable medical equipment, or other nonprescription items**. One method to estimate sales of prescription drug items is to use your sales tax return. Sales of prescription drugs should be reported on line 15 of the Kentucky Sales and Use Tax Return (Form 51A102). If Rx cost of goods sold is not readily available, leave that line blank.
- **Line (3) -- Since floor space will be used in allocating expenses, accuracy is important.** When measuring the total store, include only the retail area and exclude any storage area, i.e., basement, attic, off-the-premises areas, or freight in-out areas. When measuring the Prescription Department, exclude patient waiting area and prescription-related office. These should be included in total store area. A factor is added to the Prescription Department area to account for both waiting and office space.

SECTION IIB --- OVERHEAD EXPENSES [TAX RETURN MAY BE SUBSTITUTED.]

Overhead costs reported on the cost report must be resulting from arms-length transactions between nonrelated parties. Related parties include, but are not limited to, those related by family, by business or financial association, and by common ownership or control. **The most common non-arms-length transaction involves rental of property between related parties. The only allowable expense of such transactions for cost determination purposes would be the actual costs of ownership (depreciation, taxes, interest, etc., for the store area only).** The rental amount will be disallowed. Please show this as a reconciling item in Section IID.

- **Line (6) & (7) ---** Include only personal property taxes or real estate taxes paid on property used in this pharmacy's business.
- **Line (7a) --** Include the employer's share of FICA and Medicare taxes, and state and federal unemployment taxes.
- **Line (7c) —**Include only state Prescription tax.
- **Line (10) ---** Include only rent that applies to the store. **Report only rental expense incurred by transactions between nonrelated parties. See the first paragraph of this section for expenses allowed in lieu of rent paid to a related party.**
- **Line (22) --** Include office and operating supplies. If prescription containers and labels are included in your supplies, please exclude them from this line and show them on line 26.

Exhibit 2Page 3
(8/2000)

- **Line (24) --- Rx Computer Expenses.** Include expenses for a computer that is used **only in the Rx Department**. **These expenses should not be duplicated on any other line.** If your computer is used by other departments of the pharmacy, do not enter anything on this line and enter computer expenses on line (29).
- **Line (25) --- Rx Delivery Expenses.** If you deliver **Rx items only**, include expenses paid for your delivery vehicle here, including expenses paid to a delivery service for delivery of Rx items. **These expenses should not be duplicated on any other line.** If your delivery vehicle is used by other departments of the pharmacy or for miscellaneous purposes, do not enter anything on this line and enter delivery expenses on line (29).
- **Line (26) --- Rx Containers and Labels.** The cost of prescription containers and labels should be included here if separately identified as "other deductions" on your federal income tax return. If this expense is included in cost of goods sold on your federal income tax return and if your accounting records are such that this figure is difficult to determine, leave this line blank. An allowance will be made for Rx containers and labels based on your prescription volume.
- **Lines (27)-(29) ---** On these lines identify any non-labor expenses not already included on your cost report but listed as other deductions on your federal income tax return. **Identify each item and the amount**, rather than labeling all such expenses as "miscellaneous." **If you wish, you may simply attach the schedule from your federal return, which lists these expenses.** Please clearly label any items that are 100% Rx-related, such as pharmacist continuing education, or that are 100% non-Rx-related, such as fountain operation expenses.

SECTION IIC --- PERSONNEL COSTS [LINES (31)-(45)]

- **Lines (31)-(38) --- "Percent of Prescriptions Dispensed."** Please provide your best estimate of the percentage of prescriptions dispensed by each pharmacist. Notice: This column must total line 38a (100%).
- **Lines (31)-(43) --- "Average Weekly Hours."** You may not have detailed records of where each employee worked; however, please provide your best estimate of an average or "typical" week. Column 6 should show average number of hours the employee worked per week. Column 7 should show the average number of hours per week spent performing Rx-related duties. Rx-related duties are defined as time spent filling prescriptions as well as doing the related administrative work, including ordering and stocking prescription ingredients, taking inventory, maintaining prescription files and delivering prescriptions. **Pharmacists providing consultation to long-term care facilities should be identified and listed separately. Any revenue received for those consultation services should be noted in Section IB, page 2.**
- **Lines (31)-(33) --- "Owners."** For purposes of this study, an employee who is a stockholder in the pharmacy is considered an "Owner." All individual proprietors, partners, or stockholders should list their total drawings and/or salaries for the year. Do not show net profit as the owner's salary but only **actual drawings or salary**. For those owners who took no salary or drawings, show zero to indicate you have not overlooked this line. A salary will be allocated based on time and/or prescriptions dispensed.
- **Lines (39)-(43) --- Rx Technicians, nonprofessional, clerical, and delivery personnel who perform Rx-related duties should be listed.**
- **Line (44) --- "All Non-Rx Employees."** List total salaries for all employees who spend **no time** in Rx-related duties.

SECTION IID --- RECONCILIATION WITH BOOKS OR FEDERAL INCOME TAX RETURN

The purpose of this reconciliation is to ensure that all expenses have been included and that none have been duplicated. For example, pharmacies operating as sole proprietors will normally need to list owner's salaries, drawings, and benefits as a reconciling item. Other examples of reconciling items are the 50% meals deduction, rent paid to related party, etc.

Exhibit 2Page 4
(8/2000)**SECTION III --- PHARMACY PRESCRIPTION CHARGES SURVEY**

List the appropriate information for the first **50 NEW** prescriptions dispensed on the day shown in the box in the upper left corner of the survey form. If 50 new prescriptions were not dispensed on that day, list the new prescriptions dispensed on the following day(s) until 50 are listed. **DO NOT** list compounded prescriptions. Skip these and proceed to the next prescription. All other new prescriptions must be listed - including loss leaders, special rates, sale prices, and controlled substances. Include OTC prescriptions only if you received third party reimbursement. **Actual selling price shown should be the amount received for the prescription. The selling price for third party prescriptions should be shown as the amount received from the third party plus any co-pay collected from the patient.** Complete the Payer Code column using the following codes:

Payer Type	Code
Cash	C
Medicaid (Fee for Service)	MF
Medicaid Managed Care	MM
CHAMPUS	CH
Workers Compensation	W
Private Insurance (e.g. BC/BS, through PBM etc.)	P
Other	O

If preferred, you may send a computer generated drug listing. Please ensure all required data (NDC Numbers, Strength of drug, etc) is included on the computer generated listing and identify any special codes used by your computer, i.e., M for Medicaid.

NOTE: For quantity filled, report the unit of issue used when requesting Medicaid prescription reimbursement (i.e. metric measurements).

Exhibit 3



CABINET FOR HEALTH SERVICES
COMMONWEALTH OF KENTUCKY
FRANKFORT, 40621-0001

DEPARTMENT FOR MEDICAID SERVICES
"An Equal Opportunity Employer M/F/D"

September 8, 2000

Dear Pharmacy Provider:

Pursuant to **KRS 205.561** and amendments added during the 2000 General Assembly, the Kentucky Department for Medicaid Services must annually submit to the Governor and the Legislative Research Commission a report which includes a research study to determine the average cost of dispensing prescription medications, including associated administrative costs, and the average cost of acquiring drugs for eligible recipients, the current level of dispensing fee, and an estimate of additional revenues required to adequately adjust reimbursement to cover costs for such pharmacies. The amendments added to KRS 205.561 required DMS to conduct this study and report findings by December 1, 2000. In order to complete this study within this timeline, the Department for Medicaid Services has contracted with the firm of Myers and Stauffer, Certified Public Accountants, to conduct a study to meet the requirements of this statute.

The information received from the study, "The Kentucky Medicaid Pharmacy Cost Report," will assist in determining the Kentucky Medicaid dispensing fee. In order to ensure an accurate and valid measurement of dispensing costs, all forms must be completed and returned within the allotted time to:

T. Allen Hansen
Myers and Stauffer
Certified Public Accountants
4123 SW Gage Center Drive
Suite 200
Topeka, Kansas 66604-1833

The contractor and the Department for Medicaid Services guarantee the confidentiality of the responses. Hence, no pharmacy will be given access to another pharmacy's data.

The Department for Medicaid Services wants to remind you that terms of the provider agreement between you and the Department contains the assurance that the provider "Agrees..... to furnish the State or Federal agencies with any information requested regarding payments claimed for furnishing services...." and "Agrees to permit representatives of the state and federal government to have the unrestricted right to examine, inspect, copy and audit all records pertaining to the provision of services furnished to Title XIX recipients."



Exhibit 3

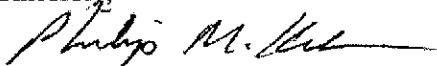
Pharmacy Provider Letter
September 8, 2000
Page Two

The requirement to accurately complete this survey in its entirety in the next few days cannot be over emphasized. The accuracy of survey results depends to a great extent on the number of completed surveys returned to the contractor. Please take time to complete the survey.

In March, a request for the same information had been made to comply with the then existing regulation timeframe of September 1, 2000. If you returned the completed survey and have no changes to report then simply send a letter to us stating this fact.

The survey must be completed and returned to Myers and Stauffer by October 2, 2000. If there are any questions, please call Allan Hansen of Myers and Stauffer at 1-800-255-2309.

Sincerely,



Philip M. Kremer, Director
Division of Physical Health

Enclosure

CC: Jay Douds
Deborah Green
Debra Bahr, R.Ph.


Myers and Stauffer LC

Certified Public Accountants

September 11, 2000

TO: Kentucky Pharmacies

As part of the on-going process of Medicaid fee determination, the Kentucky Department for Medicaid Services has contracted with our firm to conduct a survey of costs of dispensing prescriptions in Kentucky. All Kentucky pharmacy providers are requested to participate in the cost survey. We have conducted previous pharmacy cost surveys in Kentucky and fourteen other states and are pleased to again be working with pharmacies in the state of Kentucky.

Enclosed are copies of the Kentucky Medicaid Pharmacy Cost Report forms and instructions. We encourage you to read the instructions closely. Please submit the completed forms directly to us by October 2, 2000. Due to a pressing timeline set by the Legislature, there will not be any extensions to the due date. In order for your stores to be considered in the dispensing cost study, your survey forms must be received by the due date.

If your tax return has not been completed for your most current fiscal year, please file a cost report using your prior year's tax return and the corresponding prescription data for that year. The data will be adjusted accordingly. Please retain a copy of the completed survey forms for your records.

For your convenience, we offer to complete a portion of the survey for you. You may send us a copy of your business federal income tax return (Forms 1065, 1120, 1120S, or Schedule C of Form 1040 and accompanying schedules). All tax returns will be used in strict confidence and destroyed after the data is entered. If you choose to have us complete part of the survey, you will still need to complete the following cost report sections:

- Pages 1 and 2: Pharmacy attributes and other information
- Page 3: Line 1 (column 1) - prescription sales, and line 3 (columns 1 and 2) - prescription area and total store area
- Page 4: Personnel costs - complete lines 31 - 45, all columns
- Section III, Pharmacy Prescription Charges Survey

All information submitted on your report will be held in confidence. Each report will be assigned a 4-digit identification number to protect the confidentiality of ownership information. Access to this information will be limited to members of our firm.

It is very important that all pharmacies cooperate by filing an accurate cost report. Reports generated from this survey may be used as a basis for determining future professional fees paid under the Medicaid program.

If you have any questions, please call me toll free at 1-800-255-2309. Your cooperation in providing the information for this survey is greatly appreciated.

Sincerely,



Allan Hansen
Project Manager



Myers and Stauffer LC

Certified Public Accountants

September 11, 2000

TO: Kentucky Chain Pharmacies

As part of the on-going process of Medicaid fee determination, Kentucky Department for Medicaid Services has contracted with our firm to conduct a survey of costs of dispensing prescriptions in the State of Kentucky. We have conducted previous pharmacy cost surveys in Kentucky and fourteen other states and are pleased to again be working with pharmacies in the state of Kentucky.

Selected Kentucky pharmacy providers are requested to participate in the Kentucky pharmacy dispensing cost survey. Enclosed is a listing of the names and addresses of your Kentucky pharmacies selected to participate in the dispensing cost survey. A separate study of pharmacy drug acquisition cost is also being performed by Myers and Stauffer. If any of your pharmacies have been selected for the acquisition cost survey, details will be sent to you separately. Pharmacy information is presented as shown on the Kentucky Department for Medicaid Services records. If this list is inaccurate, please notify us.

Enclosed are several copies of the Kentucky Medicaid Pharmacy Cost Report forms and instructions. We encourage you to read the instructions closely. If you will require additional copies of the survey forms, please contact us and we will be happy to send additional supplies. If you would prefer to submit the data in an alternative format such as a spreadsheet, we are willing to work with you to determine an acceptable format.

Please submit your completed forms directly to us by October 2, 2000, and retain a copy of the completed survey forms for your records. Due to a pressing timeline set by the Legislature, there will not be any extensions to the due date. In order for your stores to be considered in the dispensing cost study, your survey forms must be received by the due date.

If you prefer, send individual income statements for each store and we will enter this information on the survey forms. All such information will be held in strict confidence and destroyed after the data is entered. You will still need to complete the following cost report sections:

- Pages 1 and 2: Pharmacy attributes and other information
- Page 3: Line 1 (column 1) - prescription sales, and line 3 (columns 1 and 2) - prescription area and total store area
- Page 4: Personnel costs - complete lines 31 - 45, all columns
- Section III, Pharmacy Prescription Charges Survey

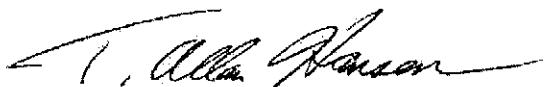
Please describe any cost allocations used in preparing the income statement such as administrative expense, et cetera. Warehousing costs should be shown in cost of goods sold or listed separately.

All information submitted on your report will be held in confidence. Each report will be assigned a 4-digit identification number to protect the confidentiality of ownership information. Access to this information will be limited to members of our firm.

It is very important that all pharmacies cooperate by filing an accurate cost report. Reports generated from this survey may be used as a basis for determining future professional fees paid under the Medicaid program.

If you have any questions, please call me toll-free at 1-800-255-2309. Your cooperation in providing the information for this survey is greatly appreciated.

Sincerely,



T. Allan Hansen
Project Manager

Exhibit 6

KENTUCKY PHARMACISTS ASSOCIATION, INC.

1228 U.S. 127 SOUTH - FRANKFORT, KENTUCKY 40601
TELEPHONE (502) 227-2303
FAX (502) 227-2258

August 4, 2000

Dear Colleague:

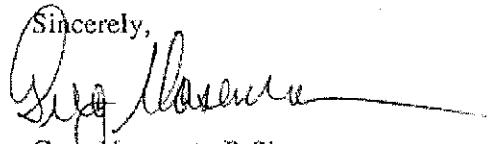
The 2000 Session of the Kentucky General Assembly enacted HB608 which made changes in the procedure and process for conducting the Cost of Dispensing survey for Medicaid prescriptions. Under the law the Cabinet for Health Services, Department for Medicaid Services is required to conduct the survey on an annual basis. Data from the survey is to be utilized to determine the cost of dispensing a Medicaid prescription in the Commonwealth.

I am writing this letter to ask for your assistance and cooperation in completing the Medicaid Dispensing Fee Survey. I realize that completing the survey instrument can be a demand on your already busy work days, yet the end result of your efforts and those of your fellow-pharmacists will be of benefit to all within the profession. Obviously the more information provided to the Department, the more valid the data will be for determining the dispensing fee.

Please make every effort to complete the survey clearly and accurately and return it by the completion date to the address indicated on the survey form.

I appreciate your cooperation and support for this important endeavor.

Sincerely,



Greg Naseman
President



Exhibit 7



CABINET FOR HEALTH SERVICES
COMMONWEALTH OF KENTUCKY
FRANKFORT, 40621-0001

DEPARTMENT FOR MEDICAID SERVICES
"An Equal Opportunity Employer M/F/D"

September 28, 2000

Dear Pharmacy Provider:

You recently received a letter from the Department for Medicaid Services (DMS) which advised you pursuant to KRS 205.561 and amendments added during the 2000 General Assembly, that DMS must submit an annual report to the Governor and the Legislative Research Commission on the dispensing of prescription medications. The report is due on or before December 1, 2000.

DMS has retained the services of Myers and Stauffer, Certified Public Accountants, to obtain the required information from all pharmacies enrolled in the Kentucky Medicaid Pharmacy Program. Myers and Stauffer sent you a dispensing fee survey to complete and return to them by October 2, 2000.

As of this date, your completed survey has not been received. This survey is mandated by KRS 205.561 to determine the average cost of dispensing prescription medications. DMS feel it is in both of our interests for you to complete and return the survey.

Under the terms of the provider agreement you signed with the Department for Medicaid Services, you **agreed** to permit representatives of the state and federal government to have the unrestricted right to examine, inspect, copy and audit all records pertaining to the provision of services furnished to Title XIX recipients. Myers and Stauffer, in this respect, is acting as our agent to acquire this information for the Department. The Department believes that this agreement requires you to complete and return the survey. Failure to return the survey could be construed as a violation of your agreement with the Department.

You are strongly urged to comply with the terms of your provider enrollment agreement by returning the completed survey during the week of October 2, 2000.

If you need another survey form or have any questions, please call Allan Hansen of Myers and Stauffer at 1-800-255-2309.

Sincerely,

A handwritten signature of Philip M. Kremer.

Philip M. Kremer, Director
Division of Physical Health

PMK/jj



Exhibit 8

KENTUCKY PHARMACISTS ASSOCIATION, INC.

1228 U.S. 127 SOUTH - FRANKFORT, KENTUCKY 40601
TELEPHONE (502) 227-2303
FAX (502) 227-2258

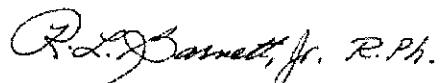
Dear Fellow Pharmacist:

The Kentucky Pharmacists Association devoted much time and effort to ensure enactment of KRS 205.561 and the 2000 Session amendments thereto. We continue to believe that appropriate implementation of these statutory requirements is in your best interest.

I recognize that completion of the survey instrument requires a significant commitment of your time. Yet, not only are accurate data essential to provide substance to the intent of the legislation, the provider agreement between your pharmacy and the Department for Medicaid Services requires you to provide the information requested.

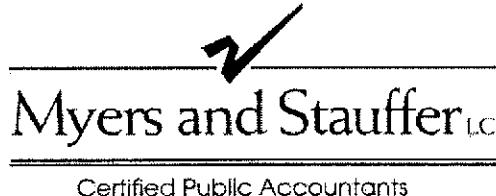
I urge you to make every effort to ensure that the survey instrument is completed accurately and submitted promptly to Myers and Stauffer if you have not done so.

Sincerely,



Robert L. Barnett, Jr., R.Ph.
Executive Director





September 21, 2000

Dear Pharmacy Owner/Manager:

Recently you received a Kentucky Medicaid Pharmacy Cost Report and a request that you complete and return it to us by October 2, 2000. If you have returned the survey, please accept our thanks for your participation. If you previously completed a survey in the Spring of this year and have no changes to report, please send a letter to us stating this fact.

It is critical to obtain a maximum number of responses in order to ensure the validity of the survey. Due to the timeline set by the Kentucky Legislature, it will not be possible to allow for any extensions to the survey due date. **If you have not yet completed the survey, please complete and return them to us no later than October 2, 2000.**

The pharmacy cost study was initiated by the Kentucky Department for Medicaid Services for the purpose of determining the cost of filling a prescription. This is being done in accordance with state and federal regulations so that the Medicaid fee you receive may be evaluated by the Department. Since the fairness and objectivity of the final results of this cost survey are directly related to the degree of response of the pharmacists in Kentucky, it is very much in your interest to participate in helping to set the Medicaid fee.

Be assured that the information you provide will be kept completely confidential. The only people with access to the individual surveys will be members of our firm.

If you need assistance in completing the survey form, please call Myers and Stauffer at 1-800-255-2309. If you have not received the survey forms or have misplaced them, please call and we will be glad to send the forms to you.

Thank you again for your cooperation and assistance.

Sincerely,

A handwritten signature in black ink that reads "T. Allan Hansen".

T. Allan Hansen
Project Manager



CABINET FOR HEALTH SERVICES
COMMONWEALTH OF KENTUCKY
FRANKFORT 40621-0001

Office of General Counsel

October 5, 2000

Dear Pharmacy Provider:

As you know, House Bill 608 was enacted by the 2000 regular session of the Kentucky General Assembly and amended the requirements for drug studies upon which Medicaid reimbursement rates are to be based. The new studies must take into consideration a representative sample of pharmacies to be used in estimating relative factors affecting dispensing and acquisition costs. Factors to be considered include geographic location of pharmacies; pharmacy types; business volumes; and the relationship of Medicaid volume to total volume.

The Department for Medicaid Services, through its agent and contractor, Myers and Stauffer, has forwarded to you dispensing cost surveys, and, in some instances, acquisition cost surveys. You have been requested to complete the survey form and to return it to Myers and Stauffer. The Department was mandated by the General Assembly to conduct this survey and to use its results in determining reimbursement rates. The Kentucky Pharmacists Association has also urged you to complete these survey forms. The Department needs your help to complete the dispensing report required by the new law.

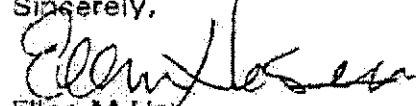
The new and expanded requirements for the dispensing study were enacted with the cooperation of the Kentucky Pharmacists Association, and are designed to provide a more accurate view of provider experience in addressing the pharmaceutical needs of Medicaid recipients in Kentucky. The information will be used in setting reimbursement rates. It is in your best interest to complete this survey and return it to Myers and Stauffer. Cooperation with the Medicaid program will assure that your experience as a provider will be taken into consideration by the Medicaid program as it presents the results of its survey and study to the General Assembly and acts to establish future reimbursement rates.

Federal regulations at 42 C.F.R. 431.107 mandate that as a Medicaid provider you are required to furnish to the Medicaid program and its agents and representatives information on services provided recipients of Medicaid and information on payments claimed for services rendered. The records of the Department or Medicaid Services indicate that you have not returned the completed survey forms as requested on at least three occasions. Please do so immediately.



I urge you to cooperate and to participate in the Myers and Stauffer survey process.

Sincerely,



Ellen M. Hesen
General Counsel

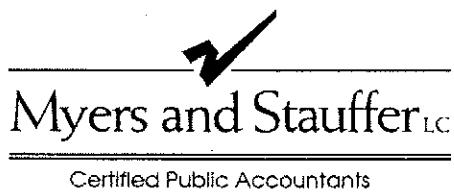
c: Jimmy D. Helton, Secretary

Dennis Boyd, Commissioner
Department for Medicaid Services

Ann Gordon
Legislative Liaision

Robert L. Barnett, Jr., R.Ph.
Executive Director

Exhibit 11



4123 SW Gage Center Drive, Suite 200
Topeka, Kansas 66604-1833
(800) 255-2309
(785) 228-6701 (fax)

October 10, 2000

0012345 / 1234
SAMPLE PHARMACY
100 MAIN STREET
ANYTOWN, KY 12345

Attention Owner/Manager:

Myers and Stauffer is working under contract with the Kentucky Department for Medicaid Services to conduct a survey of the cost of dispensing prescriptions for the Kentucky Medicaid program. After a preliminary review of the cost report you recently submitted, we have a few questions that will clarify the information you provided. Please answer the questions below and return this letter to us within one week. Make any necessary changes on the enclosed copy of your cost report and return with this form. A postage paid envelope is enclosed. If you have any questions, please call us toll free at (800) 255-2309. Thank you for your help and cooperation.

- 1) Please provide separate amounts for the following taxes that are included in your total tax expense of \$8,055 : real estate tax _____, personal property tax _____, sales tax _____, payroll taxes _____, other taxes _____.

- 2) Please complete/reconsider lines (31) - (38), page 4, 'Percent of Prescriptions Dispensed.' This should be the percentage of your total prescriptions that were dispensed by each pharmacist during the fiscal year of this report. The column total should be 100%.

- 3) Please reconsider lines (31) - (44). As shown you have \$74,064 in non-prescription sales and \$68,056 in non Rx labor. Does anyone included on line 44 perform any Rx support duties such as delivery or ringing up prescription sales? If so, please revise page 4.

Exhibit 12

Summary of Field Examination Findings
Kentucky Medicaid

Assigned Number	Exceptions and Comments	Dispensing Cost per Prescription		Increase/ (Decrease)
		Original	Revised	
Number of prescriptions dispensed, area ratio, various				
1526	labor allocations	\$ 6.45	\$ 5.63	\$ (0.82)
1551	No change	5.93	5.93	-
Number of prescriptions dispensed, area ratio, various				
3136	labor allocations	10.10	7.18	(2.92)
3636	Area ratio	13.90	14.26	0.36
Area ratio, various overhead allocations				
3997	allocations	6.42	6.39	(0.03)
5131	Area ratio	2.96	2.96	-
5566	Various labor allocations	3.70	3.95	0.25
5930	Area ratio	2.39	2.39	-
Number of prescriptions dispensed, area ratio				
5956		4.96	4.56	(0.40)
Number of prescriptions dispensed, area ratio, sales ratio				
6472		6.45	6.51	0.06
6584	Area ratio	4.01	3.91	(0.10)
Area ratio, various overhead and labor allocations				
6592		5.70	8.83	3.13
Area ratio, various labor allocations				
6931		7.18	7.61	0.43
8044	Area ratio	3.94	3.98	0.04
9322	No change	3.84	3.84	-
Area ratio, various overhead allocations				
9704		4.48	4.42	(0.06)
0396	No change	3.07	3.07	-
Average Change per Pharmacy				\$ (0.004)
Standard Deviation				\$ 1.105
Number of Pharmacies				17
95% Confidence Interval for Average Change Due to Field Examination				
Lower Bound				\$ (0.529)
Upper Bound				\$ 0.522

Exhibit 13

**Calculation of Container Cost Per Prescription
Kentucky Medicaid**

Container Type	Utilization	Cost	Extended
Dry			
6 dr.	5%	\$ 0.075	\$ 0.0038
8 dr.	20%	0.087	0.0174
12 dr.	25%	0.110	0.0275
16 dr.	15%	0.125	0.0187
20 dr.	15%	0.165	0.0248
30 dr.	10%	0.202	0.0202
40 dr.	5%	0.227	0.0114
60 dr.	5%	0.326	<u>0.0163</u>
			\$ 0.1401
Liquid			
2 oz.	10%	0.249	0.0249
3 oz.	5%	0.294	0.0147
4 oz.	60%	0.339	0.2036
6 oz.	10%	0.388	0.0388
8 oz.	10%	0.443	0.0443
12 oz.	3%	0.515	0.0129
16 oz.	3%	0.592	<u>0.0148</u>
			\$ 0.3540
Dry	0.1401	X	85% = 0.119
Liquid	0.3540	X	15% = <u>0.053</u>
Average Container Cost/Rx			= 0.173

Exhibit 14

**Table of Inflation Factors for Dispensing Cost Survey
Kentucky Medicaid**

Fiscal Year End Date	Midpoint Date	Midpoint Index	Terminal Month Index (June 30, 2000)	Inflation Factor	Number of Stores with Year End Date
9/30/1998	3/31/1998	162.2	172.4	1.063	1
10/31/1998	4/30/1998	162.5	172.4	1.061	0
11/30/1998	5/31/1998	162.8	172.4	1.059	0
12/31/1998	6/30/1998	163.0	172.4	1.058	8
1/31/1999	7/31/1998	163.2	172.4	1.056	1
2/28/1999	8/31/1998	163.4	172.4	1.055	0
3/31/1999	9/30/1998	163.6	172.4	1.054	3
4/30/1999	10/31/1998	164.0	172.4	1.051	1
5/31/1999	11/30/1998	164.0	172.4	1.051	3
6/30/1999	12/31/1998	163.9	172.4	1.052	10
7/31/1999	1/31/1999	164.3	172.4	1.049	6
8/31/1999	2/28/1999	164.5	172.4	1.048	32
9/30/1999	3/31/1999	165.0	172.4	1.045	20
10/31/1999	4/30/1999	166.2	172.4	1.037	1
11/30/1999	5/31/1999	166.2	172.4	1.037	0
12/31/1999	6/30/1999	166.2	172.4	1.037	277
1/26/2000	7/31/1999	166.7	172.4	1.034	24
1/30/2000	7/31/1999	166.7	172.4	1.034	68
1/31/2000	7/31/1999	166.7	172.4	1.034	0
2/28/2000	8/31/1999	167.1	172.4	1.032	2
2/29/2000	8/31/1999	167.1	172.4	1.032	0
3/31/2000	9/30/1999	167.9	172.4	1.027	1
4/30/2000	10/31/1999	168.2	172.4	1.025	1
5/31/2000	11/30/1999	168.3	172.4	1.024	0
6/30/2000	12/31/1999	168.3	172.4	1.024	6
7/31/2000	1/31/2000	168.8	172.4	1.021	1

Inflation indices were obtained from the Consumer Price Index, All Urban, as published by the Bureau of Labor Statistics (BLS). Indices for January 2000 and June 2000 are shown as revised by BLS on September 28, 2000.

**Pharmacy Dispensing Cost Survey Data
Statistical Summary
Kentucky Medicaid**

Exhibit 15

Characteristic	Measures of Central Tendency						Excluding Outliers Beyond 3 Standard Deviations					
	General Statistics		Weighted Means		Medians		Weighted by Total Rx Volume		Medicaid Rx Volume			
n: Number of Pharmacies	Mean	Standard Deviation	Error of the Mean	Weighted by Total Rx Volume	Weighted by Medicaid Rx Volume	Median	Weighted by Total Rx Volume	Median	Mean	Standard Deviation	Number of Pharmacies	
All Pharmacies in Sample	466	\$ 5.80	\$ 5.67	\$ 0.26	\$ 4.93	\$ 5.14	\$ 4.76	\$ 4.58	\$ 4.61	\$ 5.31	\$ 2.14	461
Non I.V. Pharmacies	453	5.29	2.14	0.10	4.71	4.89	4.74	4.45	4.51	5.11	1.55	446
I.V. Pharmacies	13	23.71	26.79	7.43	7.26	8.29	7.31	5.84	5.49	6.48	2.07	8
Non I.V. Pharmacies Only												
Affiliation:												
Chain	180	4.96	1.61	0.12	4.54	4.83	4.58	4.38	4.46	4.90	1.42	179
Independent	273	5.50	2.40	0.15	4.87	4.90	5.04	4.59	4.53	5.24	1.62	267
Location:												
Urban	157	5.14	1.73	0.14	4.68	5.11	4.72	4.54	4.83	5.02	1.37	155
Rural	286	5.37	2.34	0.14	4.71	4.79	4.73	4.35	4.30	5.15	1.63	281
Out of State	10	5.25	1.96	0.62	5.16	6.47	4.82	5.40	5.44	5.25	1.96	10
Medicaid Region 1	30	6.30	3.72	0.68	5.27	5.31	5.06	4.92	5.06	5.77	2.40	29
Medicaid Region 2	52	5.45	2.02	0.28	4.93	4.95	5.08	4.62	4.62	5.45	2.02	52
Medicaid Region 3	93	4.72	1.16	0.12	4.50	5.02	4.43	4.40	4.61	4.72	1.16	93
Medicaid Region 4	70	5.81	2.49	0.30	4.99	4.86	5.41	4.43	4.23	5.61	1.80	69
Medicaid Region 5	68	5.09	2.20	0.27	4.47	5.09	4.37	4.13	4.37	5.09	2.20	68
Medicaid Region 6	26	5.65	1.43	0.28	5.13	5.40	5.30	4.90	4.98	5.65	1.43	26
Medicaid Region 7	32	5.64	2.52	0.44	4.89	5.05	4.67	4.71	4.71	5.25	1.25	31
Medicaid Region 8	72	4.87	1.64	0.19	4.40	4.51	4.28	4.12	4.10	4.87	1.64	72

**Pharmacy Dispensing Cost Survey Data
Statistical Summary
Kentucky Medicaid**

Exhibit 15

Characteristic	95% Confidence Interval for Mean (based on Student t)				Other Statistics			
	Lower Bound	Upper Bound	t Value (with n-1 degrees of freedom)	Skewness	Standard Error of Skewness	Kurtosis	Standard Error of Kurtosis	
All Pharmacies in Sample	\$ 5.29	\$ 6.32	1.97	10.00	0.11	124.66	0.23	
Non I.V. Pharmacies	5.09	5.48	1.97	3.24	0.12	16.61	0.23	
I.V. Pharmacies	7.53	39.90	2.18	1.52	0.68	1.80	1.36	
Non I.V. Pharmacies Only								
Affiliation:								
Chain	4.72	5.20	1.97	2.88	0.18	11.21	0.37	
Independent	5.22	5.79	1.97	3.09	0.15	14.81	0.30	
Location:								
Urban	4.87	5.42	1.98	2.61	0.20	10.69	0.39	
Rural	5.10	5.64	1.97	3.29	0.14	16.24	0.29	
Out of State	3.84	6.65	2.26	1.65	0.77	3.43	1.55	
Medicaid Region 1	4.91	7.69	2.05	2.95	0.45	10.00	0.89	
Medicaid Region 2	4.88	6.01	2.01	2.06	0.34	6.19	0.68	
Medicaid Region 3	4.48	4.96	1.99	0.97	0.25	0.78	0.51	
Medicaid Region 4	5.22	6.41	1.99	2.97	0.29	14.77	0.59	
Medicaid Region 5	4.56	5.62	2.00	2.88	0.30	9.66	0.59	
Medicaid Region 6	5.07	6.22	2.06	0.78	0.48	0.37	0.96	
Medicaid Region 7	4.73	6.55	2.04	3.71	0.43	17.40	0.87	
Medicaid Region 8	4.49	5.26	1.99	1.86	0.29	3.25	0.58	

**Pharmacy Dispensing Cost Survey Data
Statistical Summary
Kentucky Medicaid**

Exhibit 15

Characteristic	Measures of Central Tendency						Excluding Outliers Beyond 3 Standard Deviations		
	n: Number of Pharmacies	Mean	Standard Deviation	Standard Error of the Mean	Weighted by Total Rx Volume	Weighted by Medicaid Rx Volume	Median	Weighted by Total Rx Volume	Weighted by Medicaid Rx Volume
Non I.V. Pharmacies Only									
Ownership Structure:									
Sole Proprietorships	36	5.48	3.01	0.50	4.61	4.31	4.71	4.20	3.91
Partnerships	7	7.26	5.04	1.91	5.72	6.17	5.42	4.11	4.15
Corporations	404	5.20	1.92	0.10	4.68	4.87	4.72	4.42	4.52
Annual Total Rx Volume:									
0 to 49,999	176	6.52	2.76	0.21	5.97	6.16	5.85	5.65	5.84
50,000 to 99,999	193	4.65	1.10	0.08	4.60	4.60	4.46	4.40	4.28
100,000 and Higher	84	4.17	0.73	0.08	4.26	4.18	4.10	4.28	4.08
Annual Medicaid Rx Volume:									
0 to 1,999	107	5.59	3.02	0.29	4.65	5.44	4.72	4.28	4.66
2,000 to 10,000	172	5.43	1.99	0.15	4.79	5.56	4.91	4.56	5.24
10,000 and Higher	174	4.96	1.50	0.11	4.68	4.72	4.58	4.47	4.35
Medicaid Utilization Ratio:									
0.0% to 1.9%	37	4.89	1.94	0.32	4.44	4.43	4.43	4.19	4.17
2.0% to 24.9%	203	5.02	1.86	0.13	4.62	4.76	4.62	4.44	4.57
25.0% and Higher	213	5.61	2.36	0.16	4.91	4.91	5.10	5.54	4.50
Does Not Disp. Unit Dose Rxs	385	5.21	2.14	0.11	4.62	4.76	4.71	4.40	4.40
Dispenses Unit Dose Rxs	68	5.71	2.07	0.25	5.18	5.24	5.31	5.00	4.65

**Pharmacy Dispensing Cost Survey Data
Statistical Summary
Kentucky Medicaid**

Exhibit 15

Characteristic	95% Confidence Interval for Mean (based on Student t)				Other Statistics			
	Lower Bound	Upper Bound	t Value (with n-1 degrees of freedom)		Skewness	Standard Error of Skewness	Kurtosis	Standard Error of Kurtosis
Non I.V. Pharmacies Only								
Ownership Structure:								
Sole Proprietorships	4.46	6.49	2.03	3.51	0.41	15.78	0.82	
Partnerships	2.60	11.93	2.45	1.79	0.93	3.52	1.85	
Corporations	5.01	5.38	1.97	3.16	0.12	17.58	0.24	
Annual Total Rx Volume:								
0 to 49,999	6.11	6.93	1.97	2.56	0.18	9.26	0.37	
50,000 to 99,999	4.50	4.81	1.97	1.37	0.18	3.23	0.35	
100,000 and Higher	4.01	4.33	1.99	0.25	0.27	0.65	0.53	
Annual Medicaid Rx Volume:								
0 to 1,999	5.01	6.17	1.98	3.31	0.24	12.76	0.47	
2,000 to 10,000	5.14	5.73	1.97	2.43	0.19	9.77	0.37	
10,000 and Higher	4.73	5.18	1.97	1.29	0.19	1.88	0.37	
Medicaid Utilization Ratio:								
0.0% to 1.9%	4.24	5.53	2.03	4.09	0.40	20.85	0.81	
2.0% to 24.9%	4.76	5.28	1.97	3.90	0.17	24.61	0.34	
25.0% and Higher	5.29	5.93	1.97	2.79	0.17	12.90	0.34	
Does Not Disp. Unit Dose Rxs	5.00	5.43	1.97	3.56	0.12	19.23	0.25	
Dispenses Unit Dose Rxs	5.21	6.21	2.00	1.57	0.30	3.66	0.59	

random name	cost	owner	ulabor	ulost	interven	per	unit	tochain	chain	urban	ownership	utens	medvol	medvol	code	medvol	code	medvol	region	all		
3027 SHOKO PHM #2168	3.77	3.63	17.78	21.05	17.14	20.77	FALSE	C	R	7062	1590 A	A	C	0.23	1	TRUE	TRUE	TRUE	TRUE			
4740 GEORGE J ELLIS DRUG	3.87	16.19	20.06	3.73	15.62	19.35	FALSE	C	R	IND	4128	570 A	B	0.14	4	TRUE	TRUE	TRUE	TRUE			
1976 MAYSVILLE PHARMACY	5.93	11.75	17.63	5.72	11.33	17.05	FALSE	C	R	PAR	6588	567 A	B	0.86	7	TRUE	TRUE	TRUE	TRUE			
9844 KROGER PHARM L-708	1.96	1.96	1.96	1.89	12.54	14.43	FALSE	C	X	OTL	13920	67 A	A	0.05	5	TRUE	TRUE	TRUE	TRUE			
1047 THE PHARMACY CENTER OF PAD	7.99	6.86	14.85	7.64	6.56	14.42	FALSE	C	X	COR	10346	631 A	A	0.06	1	TRUE	TRUE	TRUE	TRUE			
3636 MEDICAP PHARMACY	9.08	5.16	14.26	8.75	4.98	13.74	FALSE	C	X	COR	4853	825 A	A	C	0.17	5	TRUE	TRUE	TRUE	TRUE		
8626 WEIRS DRUG & JEWELRY	2.87	8.88	13.95	8.02	8.25	12.37	FALSE	C	O	COR	12868	2780 A	B	C	0.22	2	TRUE	TRUE	TRUE	TRUE		
0406 KROGER PHARM L-336	0.92	10.54	11.46	0.89	10.16	11.05	FALSE	C	X	KR	14611	1984 A	A	B	0.14	2	TRUE	TRUE	TRUE	TRUE		
7126 MARY CHILES HOSP INC	7.51	3.72	11.23	7.19	3.56	10.75	FALSE	C	X	R	11400	5375 A	C	C	0.47	5	TRUE	TRUE	TRUE	TRUE		
4756 K-MART PHARMACY #1	1.96	1.96	1.96	1.48	10.24	8.76	FALSE	C	X	KM	12346	2792 A	B	B	0.09	4	TRUE	TRUE	TRUE	TRUE		
1884 KROGER PHARM L-282	1.24	9.3	10.54	1.2	8.97	10.17	FALSE	C	X	KR	COR	16857	5800 A	B	C	0.34	8	TRUE	TRUE	TRUE	TRUE	
6313 ARLINGTON PHARMACY	3.66	8.84	10.3	3.53	6.4	9.93	FALSE	C	O	COR	14776	4956 A	B	C	0.34	1	TRUE	TRUE	TRUE	TRUE		
3772 WALGREENS #0448	2.2	5.91	10.11	7.55	5.65	9.63	FALSE	C	O	WG	46144	25004 A	C	C	0.49	4	TRUE	TRUE	TRUE	TRUE		
9920 GARRY'S PHARMACY	4.68	5.31	9.98	4.51	5.12	9.63	FALSE	C	O	IND	19483	10553 A	C	C	0.54	8	TRUE	TRUE	TRUE	TRUE		
3547 HEALTH CARE SRVS INC	2.46	7.49	9.95	2.34	7.13	9.47	FALSE	C	X	O	58409	28775 B	C	C	0.49	0	TRUE	TRUE	TRUE	TRUE		
6436 KROGER PHARM L-403	0.65	9.07	9.92	8.75	9.57	9.57	FALSE	C	X	KR	COR	20253	5430 A	B	C	0.26	4	TRUE	TRUE	TRUE	TRUE	
4917 CHRIS TINT HLT CTR PHM	4.5	5.37	9.87	4.34	5.17	9.51	FALSE	C	O	CTH	16851	11347 A	C	C	0.67	8	TRUE	TRUE	TRUE	TRUE		
6119 CAMPUS PHARMACY	4.09	5.33	9.42	5.14	5.14	9.09	FALSE	C	O	OTL	16226	8247 A	B	C	0.51	2	TRUE	TRUE	TRUE	TRUE		
6461 K-MART PHARMACY #830	1.52	7.86	9.38	1.48	7.61	9.09	FALSE	C	O	KM	U	COR	12156	1969 A	A	C	0.09	6	TRUE	TRUE	TRUE	TRUE
6867 WICKFIELD PHARMACY	3.39	5.91	9.3	3.27	5.7	8.97	FALSE	C	O	R	18754	5241 A	B	C	0.28	1	TRUE	TRUE	TRUE	TRUE		
6318 WAL-MART PHM #2654	1.94	7.19	8.96	7.01	8.88	9.88	FALSE	C	O	WM	R	COR	1693 A	A	B	0.11	4	TRUE	TRUE	TRUE	TRUE	
2196 RILEY-MMWHITE DRUGS	1.19	7.64	8.83	1.15	7.36	8.51	FALSE	C	O	OTL	36113	13566 A	C	C	0.38	4	TRUE	TRUE	TRUE	TRUE		
6552 WHITLEY PHARMACY	2.39	6.44	8.83	2.3	6.21	8.51	FALSE	C	O	R	19832	3528 A	B	C	0.13	5	TRUE	TRUE	TRUE	TRUE		
5138 SMITHS GROVE DRG STR	3.27	5.41	8.68	3.16	8.22	8.38	FALSE	C	O	R	31259	14390 A	C	C	0.46	4	TRUE	TRUE	TRUE	TRUE		
5157 COOLEY APOTHECARE INC	1.91	6.73	8.64	1.84	6.49	8.33	FALSE	C	O	IND	15882	2558 A	B	C	0.02	3	TRUE	TRUE	TRUE	TRUE		
5296 MARTINS GOLD SPRINGS PHAR	2.16	6.41	8.15	1.6	6.47	8.13	FALSE	C	O	R	55408	20879 B	C	C	0.38	8	TRUE	TRUE	TRUE	TRUE		
3328 KING DRUG & HOME CARE	3.19	4.81	8	3.08	4.63	7.71	FALSE	C	O	IND	15000	2273 A	B	C	0.16	6	TRUE	TRUE	TRUE	TRUE		
7027 DISCOUNT DRUG M&T INC	2.61	5.35	7.56	2.49	5.06	7.57	FALSE	C	O	R	71884	9470 B	S	B	0.13	2	TRUE	TRUE	TRUE	TRUE		
7894 K-MART PHARM #225	2.9	5.02	7.92	2.76	4.84	7.63	FALSE	C	O	R	25381	15345 A	C	C	0.67	7	TRUE	TRUE	TRUE	TRUE		
1616 HOME CONV INC	0.98	6.94	7.92	0.95	6.72	7.67	FALSE	C	O	KM	U	COR	28644	3828 A	B	C	0.22	7	TRUE	TRUE	TRUE	TRUE
5453 KROGER PHARM L-900	1.61	6.17	7.78	1.56	5.95	7.61	FALSE	C	O	OTL	40740	40740 A	B	B	0.1	5	TRUE	TRUE	TRUE	TRUE		
9205 CLAY DRUG STORE	2.45	5.15	7.6	2.36	4.97	7.35	FALSE	C	O	R	23603	7144 A	B	C	0.17	2	TRUE	TRUE	TRUE	TRUE		
5355 BILLIGERS DRUGS INC	1.23	7.21	8.72	1.25	6.27	7.52	FALSE	C	O	OTL	28950	2784 A	B	C	0.1	5	TRUE	TRUE	TRUE	TRUE		
2067 DOCTORS PK APOTHECARY	2.22	5.41	7.63	2.11	5.14	7.25	FALSE	C	O	R	69750	24135 B	C	C	0.37	8	TRUE	TRUE	TRUE	TRUE		
2181 CHURCHMAN PHARM INC	2.48	5.13	7.61	2.39	4.95	7.34	FALSE	C	O	R	26465	9893 A	B	C	0.25	2	TRUE	TRUE	TRUE	TRUE		
5728 SPRINGHILL PHARMACY	2.19	5.22	7.41	2.11	5.04	7.15	FALSE	C	O	R	41439	3928 B	C	C	0.05	3	TRUE	TRUE	TRUE	TRUE		
3825 DOCTORS PHARMACY INC	1.5	5.81	7.31	1.44	5.56	7	FALSE	C	O	R	41458	680 A	A	B	0.27	7	TRUE	TRUE	TRUE	TRUE		
2230 PAUL S PHARMACY	1.46	6.11	7.59	1.43	5.89	7.32	FALSE	C	O	R	14533	3904 A	B	C	0.33	6	TRUE	TRUE	TRUE	TRUE		
9835 THE MEDICINE SHOPPE	4.75	2.83	5.78	4.58	2.73	7.31	FALSE	C	O	R	28950	17170 A	C	C	0.36	5	TRUE	TRUE	TRUE	TRUE		
6890 BENTON DISCOUNT PHAR	2.49	5.15	7.48	2.4	4.82	7.22	FALSE	C	O	R	69741	2884 A	B	C	0.21	1	TRUE	TRUE	TRUE	TRUE		
1316 NUNN DRUG INC	2.42	6	7.42	1.79	5.06	7.25	FALSE	C	O	R	49481	10316 A	C	C	0.31	4	TRUE	TRUE	TRUE	TRUE		
5728 SPRINGHILL PHARMACY	2.19	5.22	7.41	2.11	5.04	7.15	FALSE	C	O	R	47028	9337 B	C	C	0.24	4	TRUE	TRUE	TRUE	TRUE		
6041 NATIONS MEDICINES	2.28	4.95	7.23	2.2	4.77	6.97	FALSE	C	O	R	48531	15221 A	C	C	0.31	4	TRUE	TRUE	TRUE	TRUE		
8817 WHITEHEAD DRUG STORE INC	2.97	4.25	7.22	2.86	4.1	6.96	FALSE	C	O	R	32310	1513 A	A	B	0.12	1	TRUE	TRUE	TRUE	TRUE		
3035 WOODRIDGE DRUG INC	1.34	5.85	7.19	1.28	5.86	6.86	FALSE	C	O	R	32444	1216 A	A	B	0.04	3	TRUE	TRUE	TRUE	TRUE		
3651 MEDICAL ARTS PHARM	1.5	5.69	7.19	1.46	5.84	7	FALSE	C	O	R	16659	1305 A	A	B	0.12	7	TRUE	TRUE	TRUE	TRUE		
7477 NATIONS MEDICINES	3.4	3.74	7.14	3.20	3.81	6.69	FALSE	C	O	R	26072	9398 A	B	C	0.36	4	TRUE	TRUE	TRUE	TRUE		
1927 THE MEDICINE SHOPPE	4.3	2.83	7.13	4.15	2.73	6.88	FALSE	C	O	WG	48025	1521 A	C	C	0.04	3	TRUE	TRUE	TRUE	TRUE		
1531 WALGREENS (#0482)	2.17	4.92	7.03	2.07	4.7	6.77	FALSE	C	O	KR	46772	3598 A	B	B	0.08	6	TRUE	TRUE	TRUE	TRUE		
8045 KROGER PHARM L-705	1.12	5.94	7.05	1.06	5.73	6.81	FALSE	C	O	R	40515	597 A	A	A	0.01	5	TRUE	TRUE	TRUE	TRUE		
2047 RX DISCOUNT PHARMACY	2.31	4.86	6.95	2.23	4.51	6.74	FALSE	C	O	R	53446	27101 B	C	C	0.51	8	TRUE	TRUE	TRUE	TRUE		
1498 NHC HLT CARE PHARM	2.46	4.49	6.95	2.36	4.33	6.71	FALSE	C	O	R	24192	18107 A	C	C	0.79	4	TRUE	TRUE	TRUE	TRUE		
3356 MEDICINE SHOPPE	2.5	4.4	6.9	2.42	4.28	6.67	FALSE	C	O	R	1196 A	A	B	C	0.06	5	TRUE	TRUE	TRUE	TRUE		
1811 EAR'DWELL PHARMACY	1.95	4.92	6.87	1.88	4.75	6.63	FALSE	C	O	R	31625	11845 A	C	C	0.37	1	TRUE	TRUE	TRUE	TRUE		
0835 KROGER PHARM L-722	0.63	6.22	6.35	0.81	6	6.81	FALSE	C	O	R	57895	1105 B	A	B	0.02	5	TRUE	TRUE	TRUE	TRUE		
4889 MCRAWBONE CIN PHARM	2.13	4.05	6.8	2.35	3.91	6.56	FALSE	C	O	R	19212	2363 A	B	B	0.12	12	TRUE	TRUE	TRUE	TRUE		
5993 MARRIONE BON CIN PHARM	2.13	4.67	6.2	2.96	4.5	6.57	FALSE	C	O	R	24896	7613 A	B	C	0.31	8	TRUE	TRUE	TRUE	TRUE		
6233 BAPTIST CONVALEPS PHM	1.18	5.61	6.79	1.14	5.41	6.55	FALSE	C	O	OTH	23878	1823 A	C	C	0.57	6	TRUE	TRUE	TRUE	TRUE		
8186 GLASCO PHARMACY	1.63	5.3	6.75	1.75	5.05	6.48	FALSE	C	O	R	43063	8933 A	J	J	0.21	4	TRUE	TRUE	TRUE	TRUE		
2578 OAK DRUG COMPANY #1	1.47	6.05	6.74	1.35	5.07	6.55	FALSE	C	O	R	23925	1422 A	B	B	0.06	3	TRUE	TRUE	TRUE	TRUE		
32173 KROGER PHARM L-700	0.67	6.3	6.7	0.56	5.27	6.5	FALSE	C	O	KR	23173	574 A	B	C	0.02	4	TRUE	TRUE	TRUE	TRUE		

random name	cost	overhead	labor	utility	decost	interven	per	unit	chain	urban	ownership	per	unit	chain	medper	code	medper	region	all
DRUG EMPORIUM-409	2.87	3.87	6.74	2.76	3.73	6.49	FALSE	0	X	KM	R	IND	33494	1004 A	A	B	0.03 5	TRUE	
K-MART PHARMACY-9651	0.92	5.8	6.72	0.89	5.6	6.49	FALSE	0	X	KM	R	COR	93837	9005 B	B	B	0.13 1	TRUE	
DRAFFENVILLE PHARM	1.53	5.18	6.71	1.47	4.98	6.46	FALSE	0	X	WG	R	COR	66446	8646 B	B	B	0.13 2	TRUE	
WALGREENS 00533	0.83	5.88	6.71	1.47	4.98	6.46	FALSE	0	X	KR	R	PAR	45421	1423 A	C	C	0.31 4	TRUE	
THE MEDICINE SHOPPE	3.21	3.44	6.65	3.1	3.32	6.42	FALSE	0	X	WG	R	COR	28570	12427 A	C	C	0.46 4	TRUE	
PURE DRUG CO	2516	PURE DRUG CO	0.88	5.74	6.62	0.85	5.64	6.39	FALSE	0	X	R	COR	39056	32036 A	C	C	0.82 7	TRUE
CLINIC PHARMACY	4435	CLINIC PHARMACY	1.12	5.48	6.6	1.08	5.29	6.37	FALSE	0	X	R	COR	42572	11370 A	C	C	0.41 6	TRUE
METCALFE DRUGS	9809	METCALFE DRUGS	1.34	5.23	6.57	1.28	5.04	6.33	FALSE	0	X	R	COR	84752	26224 B	C	C	0.39 4	TRUE
MED SOURCE	6472	MED SOURCE	2.35	4.16	6.51	2.24	3.98	6.22	FALSE	0	X	R	COR	33162	91949 C	C	C	0.37 3	TRUE
LEWISPORT PHARMACY	5381	LEWISPORT PHARMACY	1.64	4.86	6.5	1.57	4.65	6.22	FALSE	0	X	R	COR	33163	10013 A	C	C	0.3 2	TRUE
THE MEDICINE SHOPPE	6325	THE MEDICINE SHOPPE	3.03	3.47	6.5	5.82	3.34	6.26	FALSE	0	X	R	COR	49202	1052 A	A	B	0.02 5	TRUE
ROBARDS DRUGS	6263	ROBARDS DRUGS	4.27	2.22	6.49	4.11	2.14	6.25	FALSE	0	X	R	COR	76463	24778 B	C	C	0.32 2	TRUE
BERINGER DRUG STORE INC	6264	BERINGER DRUG STORE INC	1.34	5.23	6.57	6.48	6.26	3.6	FALSE	0	X	R	COR	42573	11466 A	C	C	0.31 2	TRUE
BARRYS PHARMACY	7658	BARRYS PHARMACY	1.73	4.74	5.47	6.16	4.8	6.11	FALSE	0	X	R	COR	69019	27609 B	C	C	0.2 7	TRUE
MOREHEAD CLINIC PHM	4338	MOREHEAD CLINIC PHM	2.1	6.36	6.46	2.02	4.2	6.22	FALSE	0	X	R	COR	33164	10013 A	C	C	0.3 8	TRUE
THE MEDICINE SHOPPE	6335	THE MEDICINE SHOPPE	3.5	2.93	6.43	3.21	2.77	6.05	FALSE	0	X	R	COR	28183	8338 A	B	B	0.05 5	TRUE
MEDICINE SHOPPE	3987	MEDICINE SHOPPE	3.31	3.08	6.39	3.19	2.97	6.16	FALSE	0	X	R	COR	62848	2888 B	B	B	0.23 4	TRUE
NORTHGATE PHARMACY	4318	NORTHGATE PHARMACY	1.42	4.96	6.38	1.37	4.78	6.15	FALSE	0	X	R	COR	41810	11422 A	C	C	1 8	TRUE
CITIZ NRS HOME SRVS	6897	CITIZ NRS HOME SRVS	0.95	5.42	6.37	0.71	5.23	6.14	FALSE	0	X	R	COR	36189	36373 A	C	C	0.19 4	TRUE
THE MEDICINE SHOPPE	1860	THE MEDICINE SHOPPE	2.59	3.77	6.55	2.49	3.64	6.15	FALSE	0	X	R	COR	66711	12435 B	C	C	0.2 3	TRUE
CLARKSON DRUG STC	2866	CLARKSON DRUG STC	1.06	5.26	6.32	1.03	5.07	6.1	FALSE	0	X	R	COR	66503	11655 B	C	C	0.2 2	TRUE
NATIONS MEDICINES	0233	NATIONS MEDICINES	1.19	5.12	6.31	1.5	4.94	6.09	FALSE	0	X	R	COR	46916	9285 A	B	C	0.71 2	TRUE
NHC HEALTHCARE	7986	NHC HEALTHCARE	2.61	3.7	6.31	2.52	3.57	6.09	FALSE	0	X	R	COR	17292	1627 A	A	B	0.09 2	TRUE
LB CLINIC PHARMACY	6174	LB CLINIC PHARMACY	1	5.3	6.3	6.29	6.19	4.29	FALSE	0	X	R	COR	45033	21533 A	C	C	0.49 8	TRUE
TOWN CTRY DISCT DRG	2717	TOWN CTRY DISCT DRG	1.76	4.51	6.29	1.28	5.04	5.98	FALSE	0	X	VMM	R	6843	5643 B	B	B	0.08 3	TRUE
WAL-MART PHA 10-0410	1064	WAL-MART PHA 10-0410	1.44	4.84	6.28	1.4	4.63	6.08	FALSE	0	X	VMM	R	37414	401 A	A	A	0.01 3	TRUE
WAL-MART P-M 10-0589	3823	NORTONVILLE DRUG STOIC	1.85	4.32	6.27	1.27	5.07	6.05	FALSE	0	X	VMM	R	27677	8074 A	B	B	0.29 2	TRUE
HILLS VAILLITE PHM	8091	HILLS VAILLITE PHM	1.43	4.68	6.1	1.35	4.51	5.89	FALSE	0	X	R	COR	49760	27163 A	C	C	0.35 4	TRUE
COLLEGE DRUG INC	3941	COLLEGE DRUG INC	0.95	5.12	6.07	4.02	4.94	5.96	FALSE	0	X	VMM	R	24279	17144 A	C	C	0.71 4	TRUE
WAL-MART PHM 10-1269	7589	WAL-MART PHM 10-1269	1.45	4.62	6.07	1.41	4.47	5.88	FALSE	0	X	VMM	R	63746	532 B	A	A	0.01 3	TRUE
GREENWELLS PHARMACY	4846	GREENWELLS PHARMACY	1.13	4.9	6.03	1.37	4.72	5.81	FALSE	0	X	VMM	R	10075	1380 A	A	B	0.14 7	TRUE
DUNAWAY IMPERIAL PHM	2337	DUNAWAY IMPERIAL PHM	1.13	4.72	6.02	1.25	4.55	5.8	FALSE	0	X	VMM	R	60711	10414 B	C	C	0.17 2	TRUE
LINCOLN TRL-PHARMACY	9839	LINCOLN TRL-PHARMACY	1.58	4.37	5.95	1.5	4.16	5.66	FALSE	0	X	VMM	R	35840	3372 A	B	B	0.08 3	TRUE
NEWKIR DRUGS	1551	NEWKIR DRUGS	1.63	4.3	5.93	1.57	4.15	5.72	FALSE	0	X	VMM	R	40596	3585 A	B	C	0.17 3	TRUE
MODEL DRUG STORE INC	2186	MODEL DRUG STORE INC	2.46	5.08	5.93	2.38	3.34	5.72	FALSE	0	X	VMM	R	23449	7956 A	B	C	0.34 4	TRUE
KROGER PHARM L-717	067	KROGER PHARM L-717	0.67	5.21	5.88	0.65	5.02	5.67	FALSE	0	X	KR	R	41898	745 A	A	B	0.02 3	TRUE
PHARMCARE PHARMACY	6832	PHARMCARE PHARMACY	2.71	5.69	6.88	2.61	5.06	5.67	FALSE	0	X	R	COR	50762	12267 B	C	C	0.24 6	TRUE
COTTONGIM DRG CO	1149	COTTONGIM DRG CO	1.56	4.31	5.87	1.35	4.09	5.58	FALSE	0	X	R	COR	26926	6382 A	B	C	0.24 8	TRUE
NATIONS MEDICINES	1907	NATIONS MEDICINES	1.64	4.21	5.85	1.56	4.06	5.64	FALSE	0	X	R	COR	46339	15083 A	C	C	0.35 4	TRUE
WALMART STORES EAST	3752	WALMART STORES EAST	1.81	4.03	5.73	1.85	3.88	5.63	FALSE	0	X	VMM	R	46634	623 A	A	A	0.01 5	TRUE
RICK'S PHARMACY	2322	RICK'S PHARMACY	1.46	4.38	5.84	1.42	4.24	5.66	FALSE	0	X	VMM	R	51576	18705 B	C	C	0.36 1	TRUE
WAL-MART PHM 10-0526	9415	WAL-MART PHM 10-0526	2.26	3.54	5.8	2.18	3.41	5.59	FALSE	0	X	KR	R	55676	488 B	A	A	0.01 3	TRUE
SOMERSET PHARMACY	6258	SOMERSET PHARMACY	2.08	3.67	5.76	2.03	3.59	5.62	FALSE	0	X	VMM	R	40559	1839 A	A	B	0.05 3	TRUE
K-MART PHARMACY 3446	3923	K-MART PHARMACY 3446	1.09	4.89	5.78	1.08	4.52	5.58	FALSE	0	X	VMM	R	39741	4962 A	B	B	0.11 7	TRUE
LUCAS-MOORE INC	1656	LUCAS-MOORE INC	2.42	5.34	5.73	1.42	4.03	5.45	FALSE	0	X	VMM	R	39742	8067 A	B	B	0.12 6	TRUE
K-MART PHARM #174	1132	K-MART PHARM #174	1.95	4.74	5.74	1.37	4.59	5.56	FALSE	0	X	VMM	R	34182	4957 A	B	C	0.18 8	TRUE
ELMONTON DRUGS INC	149	ELMONTON DRUGS INC	1.12	4.55	5.67	0.97	4.34	5.41	FALSE	0	X	KM	R	24839	9003 A	B	C	0.34 4	TRUE
PROFESSIONAL PHARM	5475	PROFESSIONAL PHARM	1.03	4.84	5.67	0.97	4.47	5.46	FALSE	0	X	VMM	R	40109	9320 A	B	C	0.23 4	TRUE
DANHAUER DRUG CO	0077	DANHAUER DRUG CO	1.8	3.86	5.86	1.71	3.67	5.38	FALSE	0	X	VMM	R	75004	39754 B	C	C	0.53 2	TRUE
WAL-MART PHM 10-1246	2875	WAL-MART PHM 10-1246	1.35	4.31	5.66	1.32	3.97	5.48	FALSE	0	X	VMM	R	78713	1366 B	A	B	0.01 3	TRUE
KNOX PROF PHARMACY	3710	KNOX PROF PHARMACY	1.54	4.12	5.56	1.48	3.98	5.45	FALSE	0	X	R	COR	50653	1248 B	C	C	0.26 2	TRUE
PARK AVENUE PHARM	1910	PARK AVENUE PHARM	1.69	3.95	5.55	1.63	3.62	5.45	FALSE	0	X	KR	R	22243	1131 A	C	C	0.5 4	TRUE
KROGER PHARM L-1488	2682	KROGER PHARM L-1488	1.34	4.31	5.65	1.29	4.17	5.48	FALSE	0	X	KR	R	45230	2243 A	B	B	0.05 3	TRUE
WAL-MART PHM 10-1165	7171	WAL-MART PHM 10-1165	1.31	4.25	5.6	1.26	4.22	5.45	FALSE	0	X	VMM	R	36814	15229 A	C	C	0.43 7	TRUE
BONDURANT PHARMACY	9746	BONDURANT PHARMACY	1.72	3.87	5.59	1.66	3.73	5.39	FALSE	0	X	VMM	R	57239	7277 B	B	B	0.13 4	TRUE
TOTALIX PHARMA	1413	TOTALIX PHARMA	2.31	3.32	5.63	2.23	3.2	5.43	FALSE	0	X	R	COR	28687	2528 A	B	B	0.05 3	TRUE
DEANS PHARMACY	1791	DEANS PHARMACY	1.42	4.49	5.56	1.24	4.24	5.42	FALSE	0	X	R	COR	29051	15867 A	C	C	0.26 2	TRUE
STONIES PHARMACY	1506	STONIES PHARMACY	1.07	4.49	5.56	1.03	4.33	5.36	FALSE	0	X	R	COR	38545	9800 A	B	C	0.27 7	TRUE
WAL-MART PHARMACY	1624	WAL-MART PHARMACY	1.54	4.29	5.55	1.26	3.84	5.42	FALSE	0	X	VMM	R	13731	4430 C	C	C	0.34 1	TRUE

random name	overtime labor cost	over labor cost	over labor cost	intervention per	unit/dchain	chain/urban owners/in vitrux	medvol tonvol codeindepndr codeinepd	medvol tonvol codeindepndr codeinepd	all
K-MART PHARMACY 9684	0.82	4.69	5.51	0.78	4.54	5.32 FALSE	0 X	KM R	COR 68881 11421 B C C C C
PROFESSIONAL PHARM	1.77	3.73	5.51	1.71	3.6	5.3 FALSE	0 X	KM R	COR 25547 17844 A C C C C
THE MEDCINE SHOP #682	2.77	2.72	5.49	2.67	2.62	5.29 FALSE	0 X	KM R	COR 58602 8096 B A B B
HUBBARD & CURRY	1.56	4.12	5.48	1.31	3.97	5.28 FALSE	0 X	KM R	COR 32688 807 A C B B
PHARMCO INC	2.79	2.68	5.47	2.69	2.59	5.28 FALSE	0 X	KM R	COR 613965 37539 C C B B
2001 K-MART PHARMACY 9503	0.82	4.65	5.47	0.8	4.5	5.3 FALSE	0 X	KM R	COR 62958 2250 B B B B
G & C PHARMACY	1.56	3.89	5.45	1.5	3.75	5.25 FALSE	0 X	KM R	COR 35570 A 9705 A C C C
WALGREENS #3418	1.33	4.12	5.45	1.27	3.93	5.2 FALSE	0 X	KM R	COR 201315 10494 C C C C
THE MEDCINE SHOPPE	2.98	2.81	5.39	2.48	2.71	5.19 FALSE	0 X	KM R	COR 80496 3085 B B B B
K-MART PHARMACY 3850	0.97	4.42	5.39	0.94	4.25	5.25 FALSE	0 X	KM R	COR 76320 4613 B B B B
SMITH DRUG CO INC	1.53	3.86	5.39	1.47	3.72	5.19 FALSE	0 X	KM R	COR 40366 4013 A A A A
WAL-MART PHM 10-1139	1.31	4.12	5.43	1.27	3.98	5.25 FALSE	0 X	KM R	COR 103215 4334 C B B B
8953 CLINIC PHARMACY	1.41	4	5.41	1.36	3.86	5.22 FALSE	0 X	KM R	COR 88408 63644 B B B B
KENTUCKY CLINIC PHARMACY	0.6	4.8	5.4	0.57	4.57	5.14 FALSE	0 X	KM R	COR 97023 5747 B B B B
4191 THE MEDCINE SHOPPE	2.98	2.81	5.39	2.48	2.71	5.19 FALSE	0 X	KM R	COR 47982 14833 C C C C
K-MART PHARMACY 3850	0.97	4.42	5.39	0.94	4.27	5.21 FALSE	0 X	KM R	COR 44534 19100 A C C C
7594 SMITH DRUG CO INC	1.53	3.86	5.39	1.47	3.72	5.19 FALSE	0 X	KM R	COR 103215 4334 C C C C
9628 WAL-MART PHM 10-0533	1.75	3.64	5.39	1.68	3.52	5.21 FALSE	0 X	KM R	COR 88408 63644 B B B B
9795 K-MART PHARMACY 4077	1.53	3.83	5.36	1.44	3.61	5.05 FALSE	0 X	KM R	COR 97023 5747 B B B B
2388 PEELER HOME CARE	1.67	3.68	5.36	1.61	3.56	5.17 FALSE	0 X	KM R	COR 44534 19100 A C C C
3016 HINES PHARMACY	1.26	4.09	5.35	1.21	3.94	5.11 FALSE	0 X	KR U	COR 38815 16362 A C C C
2036 GOWER DRUG STORE	0.57	4.78	5.35	0.55	4.64	5.16 FALSE	0 X	KR U	COR 49292 556 A A A A
6420 KROGER PHARM L-400	0.76	4.58	5.34	0.73	4.38	5.11 FALSE	0 X	KR U	COR 43239 5924 C B B B
2975 BEECHMONT PHARMACY	1.47	3.84	5.3	1.17	3.71	5.08 FALSE	0 X	KR U	COR 73484 2329 B B B B
0520 CRESTVILLE DRUGS INC	1.22	4.08	5.3	1.17	3.71	5.13 FALSE	0 X	KR U	COR 59374 1671 A A A A
1967 PROF CARE PHARM INC	1.32	3.98	5.3	1.25	3.78	5.03 FALSE	0 X	KR U	COR 52532 17228 B C C C
3592 WALMART PHM 10-0430	1.55	3.75	5.3	1.25	3.78	5.03 FALSE	0 X	KR U	COR 84499 6464 B B B B
6316 GIBSON'S PHARMACY	1.81	3.49	5.3	1.72	3.37	5.11 FALSE	0 X	KR U	COR 125901 28688 C C C C
8919 WAL-MART PHM 10-0711	1.28	4.02	5.3	1.28	3.88	5.12 FALSE	0 X	KR U	COR 72828 16462 B B B B
3977 PRESCRIPTION SHOP	1.13	4.16	5.29	1.09	4.01	5.1 FALSE	0 X	KR U	COR 32852 16395 C C C C
7896 KROGER PHARM L-315	0.82	4.67	5.28	0.59	4.51	5.1 FALSE	0 X	KR U	COR 65882 824 B A A A
1628 WAL-MART PHM 10-4701	1.35	3.93	5.28	1.33	3.79	5.12 FALSE	0 X	KR U	COR 101453 5351 C B B B
2953 K-MART PHARMACY 3646	0.85	4.42	5.27	0.82	4.27	5.09 FALSE	0 X	KR U	COR 41239 7437 A B C C
3112 WALGREENS (02991)	1.62	3.64	5.26	1.57	3.52	5.09 FALSE	0 X	KR U	COR 39574 1671 A A C C
8413 WAL-MART PHM 10-1048	1.26	3.26	5.26	1.32	3.14	5.06 FALSE	0 X	KR U	COR 59987 18989 B C C C
9561 HEALTH WAY PHARMACY	1.2	3.37	5.28	1.3	3.18	5.1 FALSE	0 X	KR U	COR 88290 21967 B C C C
3014 WOODS DRUG STORE INC	1.89	3.33	5.22	1.82	3.03	5.03 FALSE	0 X	KR U	COR 34000 20502 A C C C
9096 MEDICAL TOWERS PHARM	2.43	2.74	5.22	2.39	2.64	5.03 FALSE	0 X	KR U	COR 41210 2105 A B B B
9729 ECONOMY DRUG CO INC	1.73	3.47	5.2	1.67	3.34	5.01 FALSE	0 X	KR U	COR 90286 18989 B C C C
8111 KYVA PHARMACY	1.62	3.64	5.26	1.57	3.52	5.09 FALSE	0 X	KR U	COR 30313 18294 A C C C
8563 WAL-MART PHA 10-0257	1.63	3.58	5.16	1.53	3.46	4.95 FALSE	0 X	WM R	COR 57605 4508 B B B B
6398 WAL-MART PHM 10-2260	1.45	3.69	5.14	1.4	3.57	4.97 FALSE	0 X	WM R	COR 65126 1213 B A B B
4593 CALVERT CITY PHARMACY	1.26	3.86	5.13	1.22	3.73	4.95 FALSE	0 X	WM R	COR 41816 69593 A B C C
3745 WALGREENS #2225	0.85	4.24	5.12	0.84	4.05	4.89 FALSE	0 X	WM R	COR 120485 6897 C B E E
6249 KROGER PHARM L-3985	0.42	4.7	5.12	0.41	4.53	4.94 FALSE	0 X	KR U	COR 56294 17228 B A A A
8586 WALGREENS 3891	2.3	2.22	5.12	2.77	2.11	4.86 FALSE	0 X	WG U	COR 56559 10303 B C C C
5820 FAMILY PHARMACY	1.76	3.32	5.08	1.7	3.2	4.9 FALSE	0 X	WG U	COR 68682 12156 B C C C
8146 OWENS DRUG STORE	1.37	3.71	5.08	1.14	3.76	4.9 FALSE	0 X	WG U	COR 78784 12156 B C C C
3315 CAMPBELL DRUG CO	1.18	3.89	5.07	1.14	3.76	4.89 FALSE	0 X	WG U	COR 37078 2217 A B B B
9297 WALMART PHM 10-0694	1.35	3.71	5.06	1.3	3.58	4.88 FALSE	0 X	WG U	COR 35021 10352 A C C C
3797 PLAZA PHARMACY	1.41	3.64	5.05	1.37	3.52	4.89 FALSE	0 X	WG U	COR 54540 16513 B C C C
6494 RADCLIFF DRUGS INC	1.1	3.87	5.07	1.05	3.69	4.74 FALSE	0 X	WG U	COR 73137 44707 B B B B
8687 WALGREENS (01646)	1.62	3.43	5.05	1.07	3.8	4.87 FALSE	0 X	WG U	COR 56704 17492 B C C C
9372 KROGER PHARMACY	0.94	4.03	4.97	0.87	4.82	4.73 FALSE	0 X	WG U	COR 73385 16396 B C C C
9285 CALVERT CITY PHARMACY	1.24	3.78	5.02	1.19	3.65	4.84 FALSE	0 X	WG U	COR 144252 20539 C C C C
3977 HUME PHARMACY	1.67	3.29	4.96	1.61	3.17	4.78 FALSE	0 X	WG U	COR 112306 20539 C B B B
5513 KROGER PHARM L-713	0.49	4.53	5.02	0.47	4.37	4.84 FALSE	0 X	WG U	COR 53182 1770 B A A A
5685 RADCLIFF DRUGS INC	0.42	4.57	4.99	0.41	4.41	4.82 FALSE	0 X	WG U	COR 64571 1863 B B B B
2744 WALGREEN 04-123	1.36	3.58	4.94	1.31	3.46	4.77 FALSE	0 X	WG U	COR 98400 7666 B B B B
2410 WALGREEN 04-168	1.17	3.74	4.91	1.12	3.57	4.69 FALSE	0 X	WG U	COR 12709 17492 B C C C
6534 CANEVILLE DRUGS INC	1.83	3.07	4.9	1.77	2.96	4.73 FA-SE	0 X	WG U	COR 129521 3885 C B B B
7182 ALEXANDRIA DRUGS INC	0.67	4.21	4.88	0.64	4.02	4.66 FA-SE	0 X	WG U	COR 36095 2875 A B B B
5238 WALMART PHM 10-0106	1.72	3.15	4.87	1.66	3.05	4.71 FALSE	0 X	WG U	COR 64855 4891 B B B B
2927 THE MEDICINE SHOPPE	1.1	3.76	4.95	1.06	3.62	4.68 FALSE	0 X	WG U	COR 55615 13816 B C C C

random name	overheatediator	cost	waver	ulabon	cost	interven	per	unidochain	chainurban	ownershiptores	medvol	totalvol	codemdpair	code mediner	region	all		
4985 STULTZ PHARMACY INC	1.45	3.37	4.32	1.4	4.66	FALSE	0	X	WM	R	COR	185389	52557	C	C	0.28		
4986 WAL-MART PHARM 4491	1.26	3.56	4.82	1.22	3.43	4.65	FALSE	0	X	WG	U	COR	176671	2488	B	A	0.01	
6819 WESTWOOD PHARM INC	1.5	3.32	4.62	1.43	4.6	4.62	FALSE	0	X	WG	U	COR	150003	2216	B	B	0.04	
8976 WAALGREENS #4586	1.32	3.48	4.8	1.27	3.35	4.62	FALSE	0	X	WG	R	COR	134031	2100	C	B	0.02	
0533 BATTSON DRUG	0.91	3.89	4.8	3.26	4.37	4.61	FALSE	0	X	KM	R	COR	480119	22531	A	C	0.49	
7299 K-MART PHARMACY 7354	1.18	3.16	4.78	1.14	3.47	4.58	FALSE	0	X	WG	U	COR	52787	7486	B	B	0.14	
5728 POOLLES PHARMACY CARE	0.62	4.16	4.78	0.59	4.01	4.6	FALSE	0	X	KR	U	COR	38205	6177	A	C	0.16	
7263 KROGER PHARM L721	0.91	3.87	4.74	0.78	0.88	4.62	FALSE	0	X	WG	R	IND	56241	354	B	A	0.01	
7901 CROFTON PHARMACY	0.39	4.36	4.77	0.38	4.23	4.61	FALSE	0	X	KR	U	COR	493006	2659	A	C	0.24	
0945 KROGER PHARM L372	0.9	3.85	4.77	0.38	4.23	4.61	FALSE	0	X	WG	U	COR	38897	1387	A	A	0.01	
2910 WAALGREENS (02988)	1.06	3.71	4.77	1.01	3.54	4.55	FALSE	0	X	WG	U	COR	130558	2861	C	B	0.02	
9473 WAL-MART PHM 10-1189	1.64	3.13	4.77	1.58	3.03	4.58	FALSE	0	X	KM	R	COR	54416	1376	B	C	0.14	
4674 HORNE'S DRUG	0.99	3.77	4.76	0.95	3.63	4.58	FALSE	0	X	KR	U	COR	27075	1115	A	B	0.04	
3983 WAL-MART PHM 10-0282	1.55	3.2	4.75	1.5	3.1	4.5	FALSE	0	X	WG	R	COR	493006	2659	A	B	0.05	
8090 MIKELS DRIVE IN PHAR	0.9	3.85	4.77	0.59	3.72	4.59	FALSE	0	X	KR	U	COR	105548	1550	C	A	0.01	
0054 EASTSIDE PHARMACY OF CYNTH	0.91	3.83	4.74	0.87	3.66	4.53	FALSE	0	X	WG	U	COR	83250	3459	B	B	0.04	
9613 MARTIN CO FAM DRUG	1.32	3.42	4.74	1.27	3.3	4.57	FALSE	0	X	WG	U	COR	24447	6362	A	B	0.26	
1924 NANCY PHARMACY	1.53	3.2	4.73	1.47	3.6	4.53	FALSE	0	X	KR	U	COR	52135	1952	B	C	0.37	
8340 KROGER PHARM L191	0.53	4.13	4.72	0.51	4.04	4.55	FALSE	0	X	KR	U	COR	59222	1732	B	A	0.03	
9411 THOMPSON DISCOUNT DRUG	1.08	3.66	4.72	0.83	3.72	4.55	FALSE	0	X	KR	U	COR	79518	28542	B	C	0.08	
2968 FAMILY DRUGS	0.48	4.23	4.71	0.46	4.08	4.54	FALSE	0	X	KR	U	COR	31468	6361	A	B	0.2	
4686 KROGER PHARM L-332	1.39	3.74	4.71	0.94	3.6	4.54	FALSE	0	X	KR	U	COR	111336	1807	C	C	0.17	
5251 WAL-MART PHM 10-028	0.97	3.74	4.71	0.47	4.08	4.55	FALSE	0	X	KR	U	COR	493006	2659	A	B	0.02	
5264 K-MART PHARMACY 7280	0.94	3.75	4.7	0.9	3.62	4.52	FALSE	0	X	KR	U	COR	49267	3500	A	B	0.07	
0621 COLONIAL VILLAGE PH-M	0.94	3.75	4.7	0.9	3.62	4.52	FALSE	0	X	KR	U	COR	84618	30974	B	C	0.62	
7127 COSCA DRUGS INC	2.27	2.43	4.67	2.19	2.34	4.53	FALSE	0	X	WG	U	COR	89789	5528	B	C	0.01	
7617 WAL-MART PHM 10-1170	1.32	3.37	4.69	1.28	3.26	4.54	FALSE	0	X	WG	U	COR	81760	1214	B	A	0.03	
9204 KROGER PHARM -803	0.71	3.97	4.68	0.69	3.82	4.51	FALSE	0	X	WG	U	COR	59779	1747	B	B	0.12	
2730 WAL-MART PHA 10-1426	1.45	3.22	4.67	1.41	3.11	4.52	FALSE	0	X	WG	U	COR	162105	2032	C	C	0.41	
1783 RIVERVIEW PHARMACY	0.75	3.91	4.66	0.72	3.77	4.49	FALSE	0	X	WG	U	COR	73231	28529	B	C	0.41	
9205 WALGREENS (01647)	1.06	3.6	4.66	1.01	3.45	4.44	FALSE	0	X	WG	U	COR	65465	1465	B	A	0.02	
2734 PHARMACOR 21B	1.27	3.36	4.65	1.2	3.21	4.41	FALSE	0	X	PH	U	COR	116555	13275	C	B	0.11	
9440 WAL-MART PHM 10-0709	1.53	3.32	4.65	1.29	3.21	4.5	FALSE	0	X	WG	U	COR	126631	2498	C	B	0.02	
4364 DUNCAN PRESCRIPT CTR	0.96	3.65	4.65	0.96	3.53	4.49	FALSE	0	X	KR	U	COR	51893	5838	B	C	0.49	
9778 WAL-MART PHM 10-0653	0.52	4.1	4.63	0.51	3.95	4.46	FALSE	0	X	WG	U	COR	305200	54650	C	C	0.18	
4267 STAT CARE PHARMACY INC	1.96	3.04	4.62	1.52	2.94	4.46	FALSE	0	X	WG	U	COR	34620	1583	A	C	0.02	
7337 WAL-MART PHM 10-0720	1.27	3.3	4.62	1.27	3.19	4.46	FALSE	0	X	WG	U	COR	85127	17656	B	A	0.29	
7910 SUTTON DRUGS	1.3	3.32	4.62	1.26	3.2	4.46	FALSE	0	X	WG	U	COR	61859	17656	B	C	0.02	
3779 TOMS FAMILY PHARMACY	1.25	3.39	4.62	1.19	3.27	4.46	FALSE	0	X	WG	U	COR	183339	2968	C	B	0.07	
2781 K-MART PHARMACY 7156	1.11	3.49	4.6	1.03	3.37	4.45	FALSE	0	X	WG	U	COR	56413	7448	B	B	0.13	
1011 BETSY LAYNE PHAR INC	1.24	3.34	4.58	1.19	3.22	4.41	FALSE	0	X	WG	U	COR	60303	30433	B	B	0.05	
4851 WALGREENS 1906	0.95	3.65	4.58	0.88	3.49	4.37	FALSE	0	X	WG	U	COR	82311	8650	B	B	0.11	
3805 WALGREEN 3618	1.07	3.51	4.53	1.02	3.35	4.37	FALSE	0	X	WG	U	COR	183339	2968	C	B	0.02	
9183 MCDONALD PHARM INC	0.63	3.73	4.53	1.01	3.41	4.42	FALSE	0	X	WG	U	COR	57332	10788	B	C	0.14	
5631 FITZGERALD DRUGS INC	1.84	2.72	4.62	1.56	1.78	4.41	FALSE	0	X	WG	U	COR	25870	823	A	B	0.03	
5956 HORTON BROS & BROWN	1.3	3.23	4.54	1.26	3.12	4.38	FALSE	0	X	WG	U	COR	63907	2290	B	B	0.06	
8117 BLANKS PHARMACY	1.31	3.23	4.54	1.27	3.11	4.35	FALSE	0	X	WG	U	COR	104868	4371	B	B	0.04	
3728 WESLEY DRUG CO	0.82	3.59	4.51	0.89	3.47	4.36	FALSE	0	X	WG	U	COR	134600	2836	C	C	0.37	
8447 K-MART PHARMACY 3822	0.93	3.67	4.5	0.8	3.55	4.35	FALSE	0	X	KM	R	COR	53452	24504	C	C	0.46	
1432 WAL-MART PHM 10-0696	1.35	3.58	4.5	1.48	0.86	3.41	4.27	FALSE	0	X	WG	U	COR	58638	5753	B	B	0.14
8116 CITIZENS DRUG INC	0.74	3.71	4.5	1.44	0.72	3.58	4.25	FALSE	0	X	KR	R	COR	104868	31504	B	C	0.18
8692 GRANT COUNTY DRUG	1.31	3.21	4.52	1.26	3.13	4.35	FALSE	0	X	WG	U	COR	134600	2836	C	C	0.37	
9259 U OF LOUPAT PHARM	0.79	3.67	4.47	0.96	3.34	4.27	FALSE	0	X	WG	U	COR	170734	1210	C	A	0.04	
9704 SMITHACKENNEY INC	1.41	3.05	4.46	1.36	2.95	4.31	FALSE	0	X	WG	U	COR	124256	4459	C	B	0.04	
8526 WAL-MART PHARMACY 100284	1.51	2.95	4.46	1.46	2.86	4.32	FALSE	0	X	WG	U	COR	101820	9575	C	B	0.09	
2423 KROGER PHARMACY L730	0.41	4.03	4.44	0.4	3.88	4.28	FALSE	0	X	KR	R	COR	50389	15939	B	C	0.38	
0927 WAL-MART PHM 10-0519	1.42	3.02	4.44	1.38	2.92	4.3	FALSE	0	X	WG	U	COR	5279	1435	B	A	0.03	
8604 WALGREENS 0457	0.48	3.94	4.42	0.46	3.8	4.26	FALSE	0	X	KR	R	COR	48531	702	A	A	0.01	
3517 HARRISON PHARM INC	0.79	3.67	4.46	0.76	3.54	4.3	FALSE	0	X	WG	U	COR	64348	10246	B	C	0.47	
3875 WAL-MART PHM IC-1259	0.56	3.86	4.42	0.54	3.73	4.27	FALSE	0	X	WG	U	COR	69654	10302	B	C	0.16	
8526 WAL-MART PHARMACY 100284	1.07	3.35	4.42	1.04	3.23	4.27	FALSE	0	X	WG	U	COR	148416	5932	C	B	0.04	
9444 WAL-MART PHA 10-0555	1.38	3.03	4.41	1.24	2.93	4.27	FALSE	0	X	WG	U	COR	96775	6442	B	B	0.04	
2237 WAL-MART PHA 10-1053	1.42	2.98	4.4	1.37	2.88	4.25	FALSE	0	X	WG	U	COR	81973	1852	B	A	0.02	
3528 SMITHLAND DRUGS	1.08	3.32	4.4	1.04	3.2	4.24	FALSE	0	X	KM	U	COR	46300	15088	A	C	0.28	
6508 KMART PHARMACY 3588	0.95	3.45	4.4	0.82	3.34	4.26	FALSE	0	X	KM	U	COR	643983	4719	B	B	0.07	

random name	name	street	city	state	zip	overhead	lab fee	cost	upper	ulab	cost	intervention	per	unit	checkbox	chain	urban	ownership	odirs	medvol.	totvol	codemod	per_code	medvol	codemod	region	all
9389 WAL-MART PHM 10-2328	131	3.08	4.4	1.26	2.98	4.24	FALSE	0	X	WM	U	COR	96424	14776	B	C	C	C	0.15	7	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8479 CENTRAL CITY CLIN PHM	0.86	3.53	4.39	0.83	3.4	4.23	FALSE	0.023	0	X	WM	R	COR	131622	24404	C	C	C	C	0.18	2	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
4644 KROGER PHARM #368	0.4	3.98	4.38	0.38	3.83	4.21	FALSE	0	X	KR	R	COR	66053	9258	B	B	B	B	0.14	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5297 BATH COUNTY DRUGS	1.43	4.35	4.36	1.38	4.25	4.25	FALSE	0	X	R	R	COR	64235	864	A	B	B	B	0.2	7	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8967 WAL-MART PHM 10-0493	1.52	2.85	4.38	1.47	2.77	4.24	FALSE	0	X	WM	U	COR	89918	2077	B	B	B	B	0.02	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
2608 WALMART PHM 10-1140	1.46	2.91	4.37	1.42	2.81	4.23	FALSE	0	X	WM	R	COR	101690	6110	C	B	B	B	0.06	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
2444 KROGER DRUG CO INC	0.62	3.74	4.36	0.6	3.61	4.21	FALSE	0	X	WM	R	COR	46796	3718	A	C	C	C	0.08	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
2054 WAL-MART PHM 10-505	1.33	3.02	4.35	1.28	2.92	4.21	FALSE	0	X	WM	R	COR	131C75	14281	C	C	B	B	0.11	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4453 SOUTHSIDE DRUGS	0.43	3.35	4.35	1.86	2.33	4.25	FALSE	0	X	O	O	COR	19442	895	A	B	B	B	0.05	0	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5326 THE MEDICINE SHOPPE	2.38	1.95	4.33	2.29	1.88	4.17	FALSE	0	X	WM	U	COR	89260	3221	B	B	B	B	0.04	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
9203 WAL-MART PHM 10-0431	1.59	2.75	4.33	1.53	2.66	4.19	FALSE	0	X	WM	R	COR	156566	16138	C	B	B	B	0.1	2	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
3512 KROGER PHARM L-301	0.46	3.85	4.32	0.44	3.72	4.16	FALSE	0	X	KR	R	COR	15361	1535	B	C	C	C	0.31	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
9293 WAL-MART PHM 10-1233	1.33	2.95	4.35	1.28	2.86	4.16	FALSE	0	X	WM	R	COR	165430	2631	C	C	C	C	0.16	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
1137 KROGER PHARM L-707	0.43	3.88	4.31	0.42	3.74	4.16	FALSE	0	X	KR	U	COR	123442	737	C	A	A	A	0.01	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
7955 WAL-MART PHM 10-1210	1.61	2.76	4.31	1.56	2.62	4.17	FALSE	0	X	WM	U	COR	94666	1495	B	A	A	A	0.22	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
2023 WAL-MART PHM 10-1561	1.34	2.96	4.3	1.3	2.87	4.17	FALSE	0	X	WM	U	COR	12327	532	C	B	B	B	0.04	6	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4651 WEATHERS DRUGS	1.01	3.29	4.3	0.98	3.18	4.16	FALSE	0	X	R	R	COR	18502	602	A	C	C	C	0.49	2	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5329 WAL-MART PHM 10-1569	1.32	2.97	4.29	1.28	2.85	4.16	FALSE	0	X	WM	R	COR	115708	11479	C	B	B	B	0.17	7	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8321 K-MART PHARMACY 8513	0.82	3.47	4.28	0.78	3.35	4.13	FALSE	0	X	KM	R	COR	53724	9065	B	B	B	B	0.09	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4279 PEOPLES DRUG STORE	0.74	3.54	4.28	0.71	3.41	4.12	FALSE	0	X	R	R	COR	89004	5192	C	B	B	B	0.06	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5868 MIDWAY PHARMACY INC	1.07	3.21	4.28	1.03	3.1	4.13	FALSE	0	X	WM	R	COR	121618	7254	C	B	B	B	0.06	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
1866 WAL-MART PHM 10-0571	1.3	2.89	4.27	1.34	2.79	4.13	FALSE	0	X	WM	U	COR	67117	6969	B	A	A	A	0.09	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
3390 WAL-MART PHM 10-0736	1.37	2.9	4.27	1.27	2.76	4.12	FALSE	0	X	WM	R	COR	67142	5998	B	B	B	B	0.02	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5282 WAL-MART PHM 10-1196	1.42	2.85	4.27	1.37	2.76	4.13	FALSE	0	X	WM	U	COR	83326	1531	B	A	A	A	0.47	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
1598 MORGAN DRUG STORE	0.85	3.41	4.26	0.81	3.25	4.07	FALSE	0	X	R	R	COR	99826	46763	B	C	C	C	0.35	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
6055 CORNER PHARMACY INC	1.2	3.05	4.25	1.15	2.94	4.09	FALSE	0	X	WG	U	COR	52073	1768	C	C	C	C	0.25	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4121 WALGREENS #01513	1.05	3.21	4.24	0.99	2.99	4.05	FALSE	0	X	R	R	COR	61745	3168	B	B	B	B	0.19	2	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
7233 MEDICAL STOP PHARM	1.14	3.1	4.24	1.09	2.95	4.04	FALSE	0	X	WG	U	COR	63040	2069	B	B	B	B	0.03	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
9418 WALGREENS #02052	0.83	3.38	4.21	0.8	3.25	4.05	FALSE	0	X	R	R	COR	36186	18291	B	C	C	C	0.51	6	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5057 WAL-MART PHA 10-0899	1.21	3.02	4.23	1.17	2.92	4.09	FALSE	0	X	WM	R	COR	89751	16542	B	C	C	C	0.18	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5528 CAVE CITY PRESC CTR	1.01	3.21	4.22	0.93	3.1	4.08	FALSE	0	X	WG	U	COR	3592	12387	A	C	C	C	0.34	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
D-17 WALGREENS 01915	0.98	3.23	4.21	0.93	3.08	4.01	FALSE	0	X	R	R	COR	4772	34211	B	C	C	C	0.05	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
1956 ARCHER CLINIC PHARM	0.43	3.78	4.21	0.41	3.65	4.06	FALSE	0	X	R	R	COR	62297	1114	B	A	A	A	0.23	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8142 BOGGS PHARMACY INC	2.34	1.83	4.18	1.17	2.88	4.03	FALSE	0	X	R	R	COR	63525	16928	B	C	C	C	0.27	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8457 COOKS PHARMACY #2	1.5	2.67	4.17	1.42	2.53	3.95	FALSE	0	X	R	R	COR	36186	1216	A	B	B	B	0.03	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5686 MEDICAL ARTS PHARM	1.26	2.95	4.21	1.22	2.85	4.07	FALSE	0	X	R	R	COR	10563	6813	C	C	C	C	0.34	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
5269 I-COMETTOWN PHARMACY	0.67	3.53	4.22	0.65	3.4	4.05	FALSE	0	X	R	R	COR	4772	34211	B	C	C	C	0.43	4	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8270 LOUISA DRUG STORE	0.88	3.52	4.22	0.66	3.39	4.05	FALSE	0	X	R	R	COR	91786	32441	B	C	C	C	0.35	7	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4912 KROGER PHARM L-364	0.54	3.58	4.12	0.62	3.65	3.97	FALSE	0	X	KR	U	COR	46183	27226	A	C	C	C	0.59	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8012 K-MART PHARMACY #827	1	3.12	4.12	0.97	3	3.97	FALSE	0	X	KM	R	COR	82655	830	B	A	A	A	0.01	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
1159 WA-LMART PHA 10-1247	1.28	2.83	4.11	1.24	2.74	3.98	FALSE	0	X	WM	R	COR	104335	68163	B	B	B	B	0.02	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4130 UPPER LEVIA CIN PHM INC	1.55	2.55	4.1	1.49	2.46	3.95	FALSE	0	X	WM	R	COR	51600	10491	B	C	C	C	0.27	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
7338 WALMART PHM 10-0719	1.27	2.83	4.1	1.23	2.74	3.97	FALSE	0	X	WM	R	COR	121668	3947	C	B	B	B	0.03	5	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
0815 ADAMS PHARMACY	1.34	2.75	4	0.98	2.66	3.96	FALSE	0	X	WG	U	COR	19014	808	A	B	B	B	0.04	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8218 WALGREENS 03756	1.02	3.07	4.08	0.98	2.93	3.91	FALSE	0	X	R	R	COR	202768	8293	C	B	B	B	0.03	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
7147 K-MART PHARMACY INC	2.55	1.53	4.06	2.46	1.48	3.94	FALSE	0	X	KM	R	COR	18500	10338	C	C	C	C	0.56	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4802 RILEY-PRESCRIP CTR	1.84	2.22	4	0.06	2.74	3.92	FALSE	0	X	WM	R	COR	13526	27528	C	C	C	C	0.29	2	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
6052 WAL-MART PHA 10-1743	1.58	2.48	4	0.53	2.39	3.95	FALSE	0	X	R	R	COR	114517	40444	C	C	C	C	0.28	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
2449 PARKWAY PHARMACY	0.59	3.45	4.04	0.58	3.37	3.95	FALSE	0	X	R	R	COR	15071	34749	C	C	C	C	0.27	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
9433 SMIT- DRUG CO INC.	0.54	3.45	3.99	0.52	3.33	3.85	FALSE	0	X	R	R	COR	39046	10359	A	C	C	C	0.24	2	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4656 GREEN VALLEY DRUGS	1.42	2.56	3.98	0.68	3.19	3.84	FALSE	0	X	R	R	COR	120082	5426	A	B	B	B	0.02	3	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
8044 W/T FROMMARD DRUG CO	1.03	2.99	4.02	0.98	2.98	3.87	FALSE	0	X	KM	R	COR	52782	27640	S	C	C	C	0.52	8	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
9469 PIKEVILLE DENT DRUG	0.8	3.19	3.98	0.78	3.09	3.67	FALSE	0	X	R	R	COR	74386	6033	B	B	B	B	0.05	1	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	
4623 CARLISLE DRUG INC	0.86	3.13	3.98	0.63	3.02	3.85	FALSE	0	X	R	R	COR	23980	226													

random name	domain	overheadlabor	cost	uvper	ubper	uvperlost	ubperlost	intervenyp	per	unitdchain	chainurbn	ownershpstrx	medval	totval	codemedvlp	codeper	medper	region	all
75636 WALGREENS (02324)	WALGREENS	1.3	2.63	3.93	1.25	2.54	3.76	FALSE	0	X	WM	U	B	B	0.03	3	TRUE	TRUE	
2828 WA-MART PHA 10-0729	WA-MART	1.19	2.73	3.92	1.15	2.64	3.77	FALSE	0	X	KR	U	COR	37071	2419	E	B	0.02	3
0228 GRIDER DRUG 2	GRIDER	0.61	3.3	3.91	0.59	3.18	3.77	FALSE	0	X	WM	R	IND	58975	85	A	C	0.44	4
4274 WAL-MART PHARMACIAL-347	WAL-MART	1.29	2.62	3.91	1.25	2.53	3.78	FALSE	0	X	WM	R	COR	34624	37595	B	C	0.03	3
5708 KROGER PHARM-L-347	KROGER	0.51	3.4	3.91	0.5	3.28	3.78	FALSE	0	X	KR	U	COR	104433	136266	C	B	0.02	5
3306 WALMART PHA 10-0507	WALMART	1.51	2.36	3.87	1.46	2.28	3.74	FALSE	0	X	VM	R	COR	1657	1857	C	A	0.01	5
5654 SOUTHLAND PHARMACY	SOUTHLAND	1.13	2.78	3.91	1.09	2.68	3.77	FALSE	0	X	KR	U	IND	62670	13039	B	C	0.21	3
30442 KROGER PHARM-L-387	KROGER	0.75	3.15	3.9	0.43	3.33	3.76	FALSE	0	X	KR	U	COR	134921	675	C	A	0.01	3
7460 K-MART PHARMACY 7288	K-MART	0.5	3.39	3.89	0.48	3.27	3.75	FALSE	0	X	KR	U	COR	58468	1503	B	A	0.02	3
31839 KROGER PHARM-L-361	KROGER	0.43	3.44	3.87	0.41	3.31	3.72	FALSE	0	X	KR	U	COR	127371	2346	C	B	0.02	5
25455 KROGER PHARM-L-302	KROGER	0.45	3.4	3.85	0.43	3.28	3.72	FALSE	0	X	KR	U	COR	100439	1520	C	A	0.01	5
3288 LYON DRUG STORE INC	LYON DRUG	0.9	2.95	3.85	0.87	2.85	3.72	FALSE	0	X	VM	R	COR	58677	1393	B	A	0.01	5
50447 WHITESBURG PHARMACY	WHITESBURG	1.12	2.72	3.84	1.08	2.63	3.71	FALSE	0	X	KR	U	COR	58583	388	B	A	0.01	5
25229 CAPP'S PHARMACY	CAPP'S	0.84	3.02	3.96	0.81	2.92	3.73	FALSE	0	X	KR	U	COR	52271	2750	B	C	0.53	4
56817 CRESTWOOD PHARMACY	CRESTWOOD	1.14	2.72	3.86	1.11	2.66	3.77	FALSE	0	X	U	IND	5870	870	A	B	0.03	3	
67771 BURGESS DRUG STORE	BURGESS	0.75	3.11	3.86	0.73	3	3.73	FALSE	0	X	U	IND	117324	6225	C	C	0.53	4	
81244 KROGER PHARM-L-366	KROGER	0.62	2.92	3.64	0.89	2.82	3.71	FALSE	0	X	KR	U	COR	13776	13776	B	C	0.02	5
93232 BEREA DRUGS	BEREA	0.41	3.43	3.84	0.39	3.31	3.7	FALSE	0	X	KR	U	COR	52358	22648	B	C	0.43	8
30982 KROGER PHARM-L-705	KROGER	0.47	3.35	3.82	0.82	3.23	3.68	FALSE	0	X	KR	U	COR	1486	486	A	B	0.02	3
56822 SMITH PHARMACY INC	SMITH	1.13	2.68	3.82	1.08	2.6	3.66	FALSE	0	X	KR	U	COR	140397	2333	C	B	0.02	3
69266 MOUNTAIN APOTHECARY INC	MOUNTAIN	1.42	2.39	3.61	1.37	2.31	3.68	FALSE	0	X	KR	U	COR	113428	2018	C	B	0.02	5
44444 CLARKS DRUGS INC	CLARKS	0.61	3.19	3.88	1.57	2.09	3.66	FALSE	0	X	KR	U	COR	7244	4876	B	C	0.67	4
73443 MONTGOMERY DRUG	MONTGOMERY	0.61	3.18	3.79	0.59	3.08	3.67	FALSE	0	X	KR	U	COR	66112	3379	B	B	0.02	5
74331 COLUMBIAN PHARMACY	COLUMBIAN	0.86	2.91	3.79	0.87	2.78	3.5	FALSE	0	X	KR	U	COR	88038	46866	B	C	0.52	4
44400 REIDS PHARMACY INC	REIDS	0.98	2.75	3.76	0.92	2.63	3.56	FALSE	0	X	KR	U	COR	54330	1481	B	C	0.27	8
74499 PAT'S PHARMACY	PAT'S	0.98	2.75	3.76	0.92	2.63	3.56	FALSE	0	X	KR	U	COR	86753	6225	B	B	0.07	3
47467 CORNER DRUG STORE	CORNER DRUG	0.78	2.97	3.75	0.75	2.86	3.61	FALSE	0	X	KR	U	COR	42201	6744	A	C	0.18	2
87556 WAL-MART PHM 10-1113	WAL-MART	1.35	2.4	3.75	1.31	2.32	3.63	FALSE	0	X	WM	R	COR	141235	16173	C	C	0.11	8
12182 FAMILY DRUG OF WLWRCST	FAMILY DRUG	0.85	2.86	3.74	0.86	2.75	3.61	FALSE	0	X	WM	R	COR	63663	29113	B	C	0.44	8
28044 WALMART PHAR 10-0953	WALMART	1.48	2.28	3.74	1.43	2.18	3.61	FALSE	0	X	WM	R	COR	75773	23353	B	C	0.31	8
45894 KROGER PHARM-L-049	KROGER	0.46	3.28	3.74	0.91	3.17	3.61	FALSE	0	X	KR	R	COR	97925	13872	B	C	0.14	8
98747 WALGREENS (0369)	WALGREENS	0.95	2.79	3.72	0.91	2.64	3.57	FALSE	0	X	WG	U	COR	90166	11766	B	C	0.13	6
18371 KROGER PHARM-L-363	KROGER	0.4	3.33	3.73	0.39	3.21	3.6	FALSE	0	X	KR	U	COR	97455	1372	A	B	0.01	5
47473 FOUNTAIN PHARM INC	FOUNTAIN	1.53	2.2	3.73	0.86	2.75	3.55	FALSE	0	X	KR	U	COR	38401	1589	A	B	0.04	3
52118 KROGER PHARM-L-360	KROGER	0.35	3.34	3.73	0.38	3.22	3.6	FALSE	0	X	KR	U	COR	108577	19856	C	C	0.01	3
60922 KROGER CO PHARM 355	KROGER	0.43	3.29	3.72	0.42	3.17	3.59	FALSE	0	X	KR	R	COR	57318	1780	B	A	0.18	8
61153 PEYTONS PHARMACY INC	PEYTONS	0.98	2.73	3.72	0.93	2.64	3.59	FALSE	0	X	KR	R	COR	67706	2441	B	C	0.36	7
4327 SCHILLINGS PHARMACY	SCHILLINGS	2.34	1.37	3.71	2.25	3.2	3.57	FALSE	0	X	U	IND	5190	614	A	B	0.01	5	
51335 HOMECOMING PHARMACY	HOMECOMING	0.85	2.81	3.77	0.85	2.71	3.56	FALSE	0	X	KR	U	COR	122128	428	A	C	0.23	8
52113 KROGER PHARM-L-379	KROGER	0.43	3.26	3.69	0.42	3.14	3.56	FALSE	0	X	KR	U	COR	113803	1478	C	A	0.01	3
11184 SAV-RITE DRUGS INC	SAV-RITE	1.16	2.49	3.68	1.15	2.4	3.55	FALSE	0	X	KR	R	COR	57318	1780	A	B	0.03	3
25990 WALMART PHM 10-05384	WALMART	1.37	2.31	3.63	1.32	2.23	3.55	FALSE	0	X	VM	U	COR	14675	3841	C	B	0.03	6
24211 FAMILY DRUG CTR	FAMILY DRUG	0.64	3.04	3.68	0.62	2.93	3.55	FALSE	0	X	KR	U	COR	57101	28850	B	C	0.05	8
26541 KROGER PHARMACY-356	KROGER	0.41	3.26	3.55	0.64	3.14	3.54	FALSE	0	X	KR	U	COR	121392	451	C	C	0.01	3
58676 SUTTONS PHARMACY INC	SUTTONS	0.76	2.99	3.65	0.73	2.75	3.52	FALSE	0	X	KR	U	COR	75186	1060	C	A	0.04	5
33778 SOUTHERN HEALTH-CARE INC	SOUTHERN	1.5	2.14	3.64	1.43	2.04	3.47	FALSE	0	X	KR	U	COR	74956	36320	B	C	0.47	6
91011 M & M DRUG STORE	M & M	0.88	2.75	3.63	0.85	2.65	3.48	FALSE	0	X	KR	U	COR	45337	15457	A	C	0.04	5
94745 K-MART PHARMACY 9783	K-MART	1.02	2.6	3.62	0.98	2.5	3.48	FALSE	0	X	KM	U	COR	90633	13385	B	C	0.15	8
27335 MILLS DRUGSTORE	MILLS	1.03	2.58	3.61	0.97	2.44	3.41	FALSE	0	X	KR	U	COR	56366	16821	B	C	0.35	2
80867 MCCONNELLS DRUGSTORE	MCCONNELLS	0.39	3.22	3.61	0.35	3.11	3.49	FALSE	0	X	KR	U	COR	107766	4238	C	B	0.04	3
4367 K-MART PHARMACY 4232	K-MART	0.82	2.77	3.59	0.79	2.67	3.46	FALSE	0	X	KR	U	COR	73802	1478	B	A	0.02	5
55956 JEFFS PHARMACY	JEFFS	1.34	2.25	3.59	1.28	2.17	3.46	FALSE	0	X	KR	R	COR	75987	21634	B	C	0.29	4
61601 KROGER PHARM-L-357	KROGER	1.02	2.16	3.56	0.56	2.98	3.43	FALSE	0	X	KR	R	COR	97288	2318	B	B	0.02	5
34349 KROGER PHARM-L-327	KROGER	0.39	3.16	3.55	0.38	3.04	3.42	FALSE	0	X	KR	R	COR	107766	4238	C	B	0.04	3
92664 SNIDER DRUG INC	SNIDER	0.89	2.65	3.54	0.96	2.55	3.41	FALSE	0	X	KR	R	COR	31057	737	A	B	0.02	3
27446 KROGER PHARMACY 4232	KROGER	0.42	3.1	3.52	0.41	3.09	3.49	FALSE	0	X	KR	U	COR	118839	1554	C	A	0.01	5
41171 KROGER PHARM-L-345	KROGER	0.71	2.8	3.51	0.89	2.7	3.4	FALSE	0	X	KR	U	COR	113122	15898	C	B	0.14	4
27557 CLEMENS DRUG STORE E	CLEMENS	0.62	2.98	3.51	0.55	2.78	3.39	FALSE	0	X	KR	R	COR	58074	2035	B	B	0.07	5
44400 PROJECT DUDMANNE	PROJECT DUDMANNE	0.71	2.8	3.51	0.55	2.78	3.39	FALSE	0	X	KR	U	COR	50000	1191	B	A	0.02	5

random name	name	address	city	state	zip	phone	email	website	overheadlabor	cost	labor	labor_wcost	overhead	overhead_wcost	medrep	medrep_wcost	medper	medper_wcost	medregion	medregion_wcost	all
80826 WALMART PHM 10-0825	WALMART PHARMACY	7722 NICHOLS APOTHECARY INC	1.07	1.89	3.5	1.56	1.83	3.39	FALSE	0	X	3.31	2.29	0	0	B	0.025	TRUE	TRUE	0.0148	0.0148
52821 WALGREENS 2538	WALGREENS	1.03	2.42	3.45	0.98	1.31	2.29	FALSE	0	X	0	0	0	0	B	0.063	TRUE	TRUE	0.0063	0.0063	
84711 WALGREENS 102156	WALGREENS	1.03	2.42	3.45	0.98	2.31	3.29	FALSE	0	X	0	0	0	0	B	0.023	TRUE	TRUE	0.0023	0.0023	
98822 NAPIER FAMILY DRUG	NAPIER FAMILY DRUG	0.57	2.83	3.45	0.55	2.77	3.32	FALSE	0	X	0	0	0	0	C	0.498	TRUE	TRUE	0.0498	0.0498	
66118 WEBSTER DRUGS	WEBSTER DRUGS	0.84	2.58	3.42	0.61	2.49	3.3	FALSE	0	X	0	0	0	0	B	0.033	TRUE	TRUE	0.0033	0.0033	
70882 RED BIRD PHARMACY	RED BIRD PHARMACY	1.49	1.91	3.4	1.44	1.85	3.29	FALSE	0	X	0	0	0	0	C	0.458	TRUE	TRUE	0.0458	0.0458	
80822 KROGER PHARM 359	KROGER PHARMACY	0.43	2.97	3.4	0.41	2.86	3.27	FALSE	0	X	0	0	0	0	A	0.025	TRUE	TRUE	0.0025	0.0025	
85931 SAV-RITE FAM PHM INC	SAV-RITE FAM PHM INC	0.58	2.73	3.36	0.56	2.69	3.25	FALSE	0	X	0	0	0	0	C	0.368	TRUE	TRUE	0.0368	0.0368	
23211 LACKEY PHARMACY	LACKEY PHARMACY	1.42	1.92	3.24	1.37	1.86	3.23	FALSE	0	X	0	0	0	0	C	0.528	TRUE	TRUE	0.0528	0.0528	
42720 TOTAL PHARMACY CARE	TOTAL PHARMACY CARE	0.96	2.33	3.34	0.92	2.29	3.21	FALSE	0	X	0	0	0	0	C	0.358	TRUE	TRUE	0.0358	0.0358	
67985 GREENVILLE PHARMACY	GREENVILLE PHARMACY	0.68	2.61	3.28	0.65	2.5	3.15	FALSE	0	X	0	0	0	0	C	0.22	TRUE	TRUE	0.022	0.022	
70877 ANDERSON CC DSC/PHM	ANDERSON CC DSC/PHM	0.79	2.46	3.25	0.76	2.37	3.13	FALSE	0	X	0	0	0	0	B	0.023	TRUE	TRUE	0.0023	0.0023	
40330 KROGER PHARML-367	KROGER PHARML-367	0.4	2.84	3.24	0.39	2.74	3.13	FALSE	0	X	0	0	0	0	A	0.025	TRUE	TRUE	0.0025	0.0025	
71919 TOWNE & COUNTRY PHM FLORIS	TOWNE & COUNTRY PHM FLORIS	1.48	1.74	3.22	1.43	1.68	3.11	FALSE	0	X	0	0	0	0	B	0.043	TRUE	TRUE	0.043	0.043	
85684 OSMAN PHARMACY	OSMAN PHARMACY	1.08	2.11	3.2	1.05	2.07	3.07	FALSE	0	X	0	0	0	0	C	0.467	TRUE	TRUE	0.0467	0.0467	
63444 DRUG MART	DRUG MART	0.53	2.55	3.12	0.51	2.49	3	FALSE	0	X	0	0	0	0	B	0.025	TRUE	TRUE	0.0025	0.0025	
93444 K-MART PHARMACY 7255	K-MART PHARMACY 7255	0.62	2.45	3.11	0.58	2.4	2.98	FALSE	0	X	0	0	0	0	C	0.174	TRUE	TRUE	0.0174	0.0174	
15893 WHITESVILLE DRUG INC	WHITESVILLE DRUG INC	1.06	2.02	3.08	1.02	1.95	2.97	FALSE	0	X	0	0	0	0	C	0.2	TRUE	TRUE	0.02	0.02	
57342 RUMFELD DRUG	RUMFELD DRUG	0.9	2.18	3.08	0.85	2.06	2.91	FALSE	0	X	0	0	0	0	C	0.371	TRUE	TRUE	0.0371	0.0371	
64024 F & H DRUG	F & H DRUG	0.6	2.47	3.07	0.72	2.24	2.96	FALSE	0	X	0	0	0	0	C	0.614	TRUE	TRUE	0.0614	0.0614	
74445 FAMILY DRUG CTR #5	JELICO DRUG STORE	0.74	2.33	3.07	0.58	2.36	2.94	FALSE	0	X	0	0	0	0	C	0.150	TRUE	TRUE	0.0150	0.0150	
08039 J & R PHARMACY	J & R PHARMACY	0.55	2.47	3.03	0.54	2.49	2.92	FALSE	0	X	0	0	0	0	C	0.111	TRUE	TRUE	0.0111	0.0111	
51531 CAYCES PHARMACY	CAYCES PHARMACY	0.75	2.25	3	0.71	2.14	2.85	FALSE	0	X	0	0	0	0	B	0.142	TRUE	TRUE	0.0142	0.0142	
51531 BEEVERS DRUG STORE	BEEVERS DRUG STORE	0.95	2.01	2.96	0.92	1.93	2.85	FALSE	0	X	0	0	0	0	A	0.053	TRUE	TRUE	0.0053	0.0053	
51531 STURGIS PHARMACY	STURGIS PHARMACY	0.98	2.06	2.95	0.88	1.98	2.84	FALSE	0	X	0	0	0	0	B	0.112	TRUE	TRUE	0.0112	0.0112	
58333 HOLBROOK DRUG	HOLBROOK DRUG	0.63	2.2	2.83	0.6	2.09	2.69	FALSE	0	X	0	0	0	0	C	0.377	TRUE	TRUE	0.0377	0.0377	
32368 R H MOORE DRUG CO	R H MOORE DRUG CO	0.53	2.17	2.7	0.51	2.09	2.6	FALSE	0	X	0	0	0	0	B	0.114	TRUE	TRUE	0.0114	0.0114	
77787 SAVE MORE DRUGS	SAVE MORE DRUGS	0.77	1.91	2.68	0.74	1.82	2.56	FALSE	0	X	0	0	0	0	C	0.332	TRUE	TRUE	0.0332	0.0332	
77779 JEFFS PRESCRIP SHOP	JEFFS PRESCRIP SHOP	0.67	1.81	2.48	0.65	1.75	2.4	FALSE	0	X	0	0	0	0	B	0.053	TRUE	TRUE	0.0053	0.0053	
58530 DAUGHTERY DRUG CARE	DAUGHTERY DRUG CARE	0.55	1.86	2.39	0.51	1.76	2.27	FALSE	0	X	0	0	0	0	C	0.054	TRUE	TRUE	0.0054	0.0054	
56041 INTEGRITY HLTH CARE SVCS	INTEGRITY HLTH CARE SVCS	68.16	21.41	90.01	66.15	20.65	86.8	TRUE	1	X	0	0	0	0	B	0.193	TRUE	TRUE	0.0193	0.0193	
57348 WESTERN KYN SERVICES INC	WESTERN KYN SERVICES INC	38.26	16.36	54.62	16.36	54.62	36.62	TRUE	1	X	0	0	0	0	A	0.461	TRUE	TRUE	0.0461	0.0461	
83311 LIFENET USA INC	LIFENET USA INC	10.34	11.57	41.91	29.03	11.08	40.11	TRUE	1	X	0	0	0	0	A	0.671	TRUE	TRUE	0.0671	0.0671	
86348 OPTION CARE	OPTION CARE	9.76	13.57	23.33	9.41	13.08	22.5	TRUE	1	X	0	0	0	0	C	0.884	TRUE	TRUE	0.0884	0.0884	
78442 STONE ROAD PHARMACY	STONE ROAD PHARMACY	4.49	6.32	10.81	4.33	6.1	10.43	TRUE	1	X	0	0	0	0	B	0.285	TRUE	TRUE	0.0285	0.0285	
57348 D & R PHARMACARE	D & R PHARMACARE	2.67	4.77	7.44	2.57	4.6	7.17	TRUE	1	X	0	0	0	0	B	0.123	TRUE	TRUE	0.0123	0.0123	
31368 NEIGHBORCARE-SVILLE	NEIGHBORCARE-SVILLE	3.05	4.13	7.18	2.92	3.95	8.87	TRUE	1	X	0	0	0	0	C	0.133	TRUE	TRUE	0.0133	0.0133	
72118 D & R PHARMACE	D & R PHARMACE	1.66	2.37	46.57	17.27	44.55	47.72	TRUE	1	X	0	0	0	0	C	0.165	TRUE	TRUE	0.0165	0.0165	
34613 HOME CARE PHARMACY	HOME CARE PHARMACY	2.13	3.93	6.06	2.05	3.79	5.84	TRUE	1	X	0	0	0	0	B	0.060	TRUE	TRUE	0.0060	0.0060	
29086 UNITED PHARMACY ASSO	UNITED PHARMACY ASSO	1.67	3.73	5.4	1.61	3.58	5.2	TRUE	1	X	0	0	0	0	C	0.242	TRUE	TRUE	0.0242	0.0242	
81195 THREE FORKS APOTHECA	THREE FORKS APOTHECA	1.93	2.68	4.61	2.56	4.45	5.26	TRUE	1	X	0	0	0	0	C	0.2176	TRUE	TRUE	0.02176	0.02176	
79000 D & R PHARMACE	D & R PHARMACE	1.02	3.24	4.26	0.93	3.12	4.11	TRUE	1	X	0	0	0	0	C	0.083	TRUE	TRUE	0.0083	0.0083	